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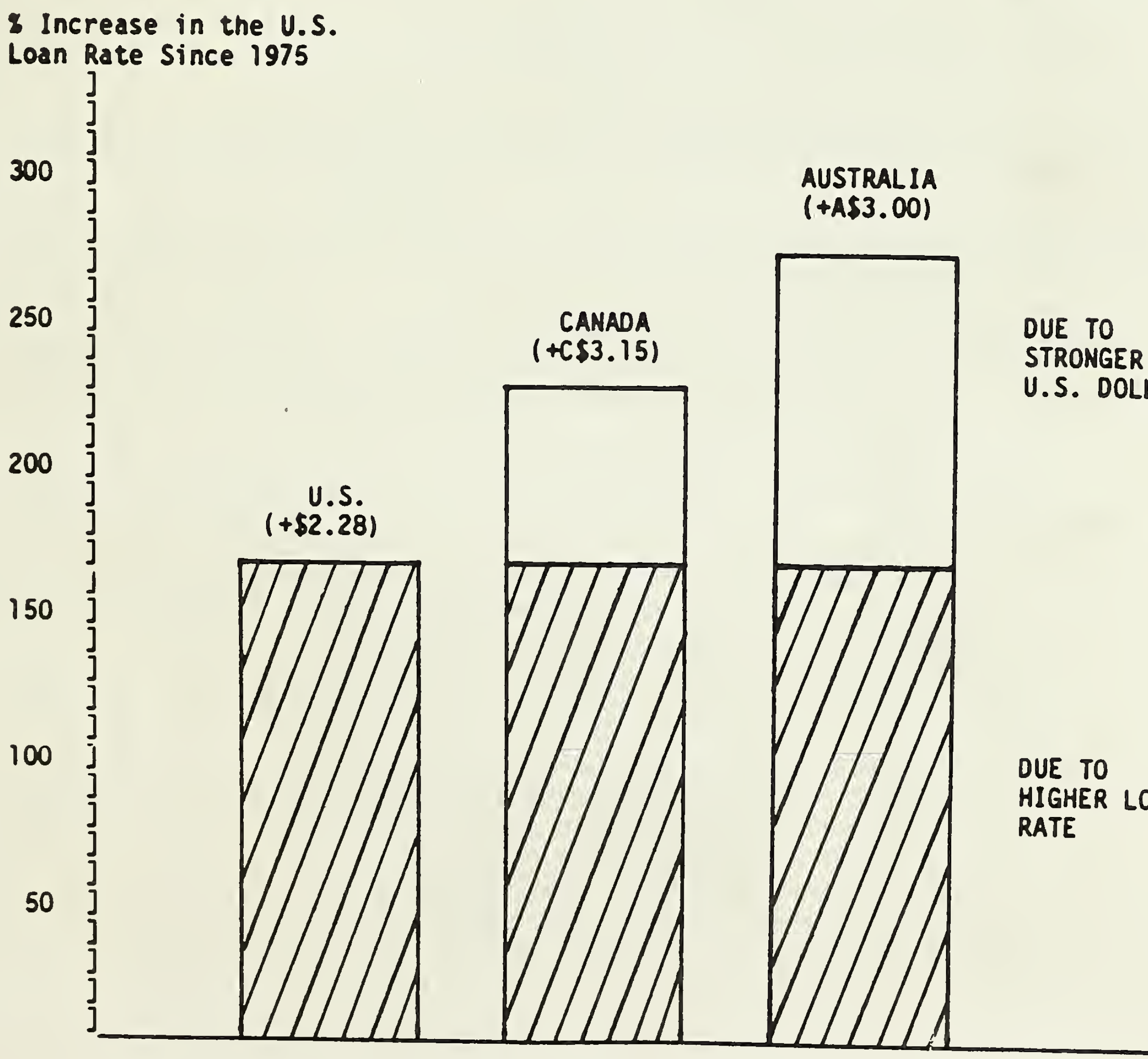
EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES

HIGHER WHEAT LOAN RATE AND STRONGER DOLLAR:
AN "UMBRELLA" FOR THE COMPETITION



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April 27, 1984

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HIGHLIGHTS

The U.S. coarse grain export forecast remains unchanged from a month ago, but as importers appear to be meeting an increasing part of their feed demand with imported wheat, future prospects for U.S. coarse grain sales may be affected. Australian feed wheat sales have reached about a million tons, and the European Community (EC) seems poised to put up to a million tons of denatured wheat into the market. With the current wheat marketing year almost over, attention continues to focus on U.S. export prospects for 1984/85. The upcoming marketing year initially appears to be characterized by expectations of increasing competition due to large world exportable supplies. U.S. rice export prospects continue depressed as U.S. rice does not appear to be competitive in a number of the world's rice markets.

Major developments affecting U.S. exports over the past month include:

--South Africa purchasing a significant quantity of Australian feed wheat, which will likely reduce potential U.S. corn sales.

--Continued sales of Australian feed wheat to Korea, and reports indicate total sales are close to a half million tons.

--An EC announcement that tenders on denatured feed wheat will be accepted starting on April 26, which could have a major impact on world coarse grain trade in the months ahead.

--The signing of an Argentine-Mexican grain agreement, likely reducing the U.S. sales to Mexico.

--Additional measures announced by Argentina to encourage increased grain production and trade, including interest in additional government-to-government trade agreements.

--Canadian initial payments to wheat producers for the 1984 crop were lowered, reflecting expectations of lower export prices due to large world wheat supplies.

--Depleted barley stocks in key Middle Eastern exporting countries could mean improved U.S. export prospects.

--Recent large Nigerian rice purchases from Thailand and Pakistan dim prospects for additional U.S. rice sales.

--Thailand's continued record-setting pace of rice shipments and sales decreases the prospects for U.S. rice exports.

SPECIAL REPORT

Higher Wheat Loan Rate and Stronger Dollar: An Umbrella for the Competition

The United States is often viewed as the residual supplier to the world market during times of large wheat supplies. The chart on this month's cover illustrates the upward movement since 1975/76 in two factors that affect the price umbrella provided by the United States.

The strong dollar has undoubtedly had an impact on quantity demanded by importing countries, because a stronger dollar is translated into a higher price. However, from a competitive standpoint, the ability of the United States to hold its market position is also heavily dependent on the strength of the U.S. dollar vis-a-vis the currencies of the other exporting countries. During 1983, the U.S. dollar appreciated 9 percent against the Australian dollar but was up only one percent against the Canadian dollar. From the beginning of 1976 to the end of 1983; however, the appreciation of the U.S. dollar was 41 percent and 22 percent against the Australian dollar and Canadian dollar, respectively.

The ability of competing wheat exporters to undercut U.S. prices is enhanced when U.S. prices drop to a level approximating the loan rate. The loan rate acts as a price floor for U.S. wheat prices because farmers will put wheat under CCC loan (or in the farmer-owned reserve) rather than sell wheat at prices lower than the loan rate. When this situation develops, competitor prices simply decline below the suspended U.S. price. In the short term, competitor countries tend to clear all exportable supplies possible in world markets; however, over the longer-term an increasing U.S. support level has tended to provide an incentive for other countries to expand production. Such conditions of burdensome supplies and depressed prices have existed during the past two marketing years. Combined with sagging world demand, and shifts in buying patterns there has been a 10-million-ton drop in U.S. wheat exports, while other exporting countries have maintained or increased their sales.

EXCHANGE RATES 1/

	A$/US$	C$/US$
Dec. 31, 1975	.7955	1.0164
Dec. 31, 1983	1.12045	1.2444

U.S. LOAN RATE EXPRESSED IN LOCAL CURRENCIES

	1975/76	1983/84	Change (%)
United States	$1.37	$3.65	+166
Australia	A$1.09	A$4.09	+275
Canada	C$1.39	C$4.54	+227

U.S. LOAN RATE FOR WHEAT

Year	Loan Rate
75/76	1.37
76/77	2.25
77/78	2.25
78/79	2.35
79/80	2.50
80/81	3.00
81/82	3.20
82/83	3.55
83/84	3.65
84/85	3.30

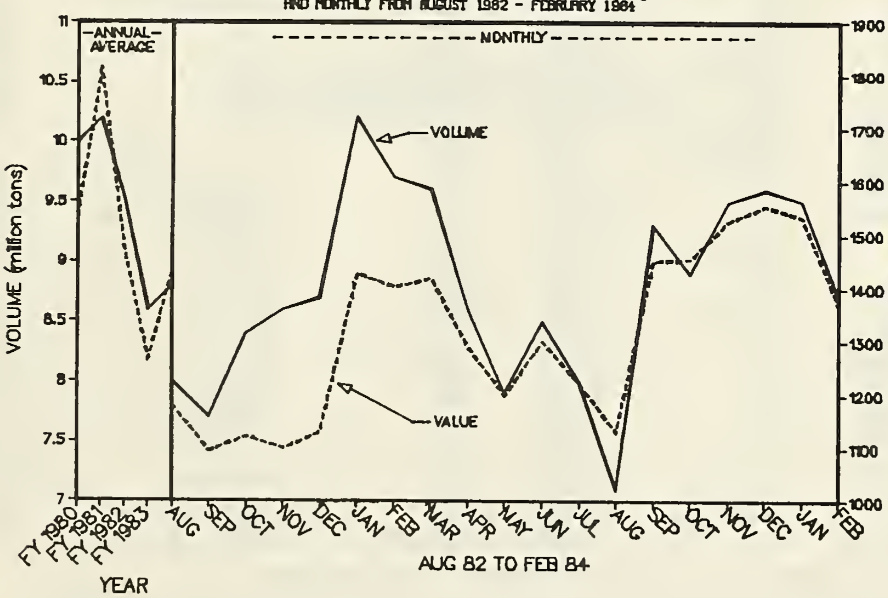
1/ SOURCE: IMF International Financial Statistics Yearbook

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1983 AND COMPARISON WITH PRECEEDING YEAR

	FEBRUARY		CUMULATIVE OCT THRU FEB		ACTUAL EXPORTS	PROJECTED EXPORTS
	FY 83	FY 84	FY 83	FY 84	FY 83	FY 84
WHEAT (grain only)						
Quantity (1000 tons)	3,990	3,023	15,549	15,677	36,699	37,500
Value Per Ton (dollars)	164	159	161	162	161	164
Value (in million dollars)	652	482	2,505	2,539	5,910	6,150
CORN (grain only)						
Quantity (1000 tons)	4,091	4,014	21,454	21,744	47,105	47,830
Value Per Ton (dollars)	114	149	106	149	121	145
Value (in million dollars)	468	598	2,285	3,237	5,717	6,935
SORGHUM (grain only)						
Quantity (1000 tons)	450	631	2,779	2,887	5,403	5,715
Value Per Ton (dollars)	121	134	113	138	122	136
Value (in million dollars)	54	85	313	398	660	777
BARLEY, OATS, AND RYE (grain only)						
Quantity (1000 tons)	31	126	324	1,009	973	2,260
Value Per Ton (dollars)	115	145	111	135	121	139
Value (in million dollars)	4	18	36	136	118	314
TOTAL COARSE GRAINS (grain only)						
Quantity (1000 tons)	4,572	4,771	24,557	25,640	53,481	55,805
Value Per Ton (dollars)	115	147	107	147	121	144
Value (in million dollars)	526	701	2,634	3,771	6,496	8,026
RICE (grain only)						
Quantity (1000 tons)	146	102	682	790	2,209	2,100
Value Per Ton	382	457	412	430	396	430
Value (in million dollars)	56	47	281	339	874	903
PULSES						
999uantity (1000 tons)	34	24	245	192	457	450
Value Per Ton (dollars)	379	515	421	476	416	444
Value (in million dollars)	13	12	103	91	190	200
FLOUR AND OTHER GRAIN PRODUCTS						
Quantity (1000 tons-gr. equiv)	295	191	933	1,005	3,499	2,900
Value Per Ton (dollars)	199	191	223	201	165	224
Value (in million dollars)	59	37	208	202	579	650
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS						
Quantity (1000 tons)	603	549	2,689	2,845	6,991	7,000
Value Per Ton (dollars)	161	165	166	174	164	179
Value (in million dollars)	97	91	447	496	1,145	1,250
TOTAL VOLUME (in thousand tons)	9,640	8,659	44,655	46,149	103,337	105,755
TOTAL VALUE (in million dollars)	1,402	1,369	6,179	7,439	15,194	17,179

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM AUGUST 1982 - FEBRUARY 1984



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. As of April 27, the forecast for June-May 1983/84 wheat exports--excluding 2 million tons of flour and products--remains at 36.1 million tons.

Shipments and Sales. Shipments of U.S. wheat for the 4-week period ending April 19 picked up somewhat from the preceeding 4 weeks, but were about the same as this period a year ago. The pace of sales accelerated some from that of the preceeding 4-week period but lagged behind sales for the same 4 weeks a year earlier.

IMPORTER BUYING ACTIVITY

During the past month, the USSR was relatively inactive in the marketplace. China purchased 320,000 tons of U.S. soft red winter for nearby delivery. South Africa entered the feed wheat market picking up 400,000 tons from Australia. Brazil and Egypt were active in the U.S. market. Syria continued to cover nearby wheat import needs with non-U.S. wheat. Korea continued its active buying program, picking up feed wheat from Australia and milling wheat from the United States.

RECENT WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN MAR. 29, 1983 AND APR. 26, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
4/4	Brazil	U.S.	132,000	HRW 11%	151.38 @ 151.94	Jan-Jul
4/12	Brazil	U.S.	33,000	HRW 11%	150.22	Jun-Jul
4/25	Brazil	U.S.	99,000	HRW 11%	150.19 @ 150.66	Aug
4/6	China	U.S.	200,000	SRW	?	84/85
4/24	China	U.S.	120,000	SRW	?	83/84
3/29	Cyprus	Canada	25,000	WW	156.80 C&F	Apr-May
3/30	Cyprus	Canada	25,000	Wheat	156.80 C&F	Apr-May
4/3	Ecuador	U.S.	25,936	HRW	175.83 C&F	Apr
4/12	Ecuador	U.S.	25,936	HRW 12%	180.66 C&F	May
3/30	Egypt	U.S.	245,000	WW	142.90 @ 144..47	Apr-May
4/4	Egypt	U.S.	103,160	Flour	231.75 @ 239.42 FAS	May
4/5	Egypt	EC	110,000	Flour	209.00 C&F	Jun-Aug
4/5	Egypt	EC	140,000	Flour	? C&F	Aug-Oct
3/29	Iraq	U.S.	200,000	HRW	?	Jun-Jul
3/30	Korea	Australia	50,000	Feed Wheat	145.50 C&F	May
4/23	Korea	U.S.	52,000	White, HRW, HRS	Various	May-Jun
4/24	Korea	U.S.	23,000	White, HRW, HRS	Various	May-Jun
4/2	Lebanon	Optional	100,000	Wheat	?	May-Jun
4/9	Lebanon	Argentina	100,000	Wheat	?	Apr
4/9	Lebanon	Unitad Kingdom	25,000	Wheat	?	Apr
4/6	Morocco	U.S.	50,000	WW	167.00 @ 167.75 C&F	FH-May
4/6	Morocco	U.S.	160,000	SRW	156.84 @ 165.75 C&F	LH-May
4/26	Morocco	U.S.	100,000	SRW	157.35 @ 159.50 C&F	LH-May
4/25	Peru	U.S.	50,000	HRW 11%	158.15 @ 158.74	May
3/29	Peru	Argentina	20,000	Wheat	139.25	Apr
4/9	Peru	U.S.	50,000	HRW 11%	157.88 @ 158.59	Apr-May
4/26	Peru	U.S.	25,000	HRW 11%	152.67	Jun
4/26	Peru	Argentina	25,000	Wheat	146.89	LH-May
4/4	Philippines	U.S.	25,000	HRS 14%	185.50	May
4/4	Philippines	U.S.	25,000	WW	155.47	May
4/18	Philippines	U.S.	25,000	HRS 14%	185.33	Jun
3/30	Portugal	U.S.	30,000	HRW	157.35	May
4/6	Portugal	U.S.	12,000	Durum	164.24	FH-May
4/25	Somalia	U.S.	5,882	#3 HAD	203.99 FAS	May-Jun
4/25	Somalia	U.S.	16,907	Flour	222.22 @ 229.42 FAS	May-Jul
4/19	South Africa	Australia	400,000	Feed Wheat	?	May-Sep
3/29	Syria	EC	60,000	Wheat	162.40 C&F	May
3/30	Syria	Australia	60,000	Wheat	?	Apr-May
4/25	Syria	Canada/France	110,000	Wheat	163.5(C) 159.00(F) C&F	Jun
4/24	Taiwan	U.S.	27,000	White, HRS	Various	May

1/ HRW-Hard Red Winter, HRS-Hard Red Spring, SRW-Soft Red Winter, HAD-Hard Amber Durum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY--MILLION TONS)

Monthly Shipments

4 Weeks Ending	1982/83	1983/84
January 26	2.2	2.8
February 23	3.9	2.9
March 22	3.5	2.5
April 19	2.8	2.9
Cumulative for MY....	34.7	31.7

Monthly Sales 2/

4 Weeks Ending	1982/83	1983/84
January 26	1.8	3.2
February 23	2.6	3.1
March 22	2.0	1.9
April 19	2.7	2.5
Cumulative for MY......	41.4	38.6

Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending April 12	0.7	27.0
Week Ending April 19	0.6	21.7
Official Estimate for Current MY (Grain only)......................	36.1	1325
Implied Weekly Average.............	0.7	25.5
Latest Six Weeks Weekly Average.....................	0.7	25.2
Marketing Year-To-Date Weekly Average.....................	0.7	26.5
Weekly Avg. Extrapolated Annually..	37.5	1378
Balance of Year to Achieve Estimate Implied Weekly Average.............	0.5	18.7

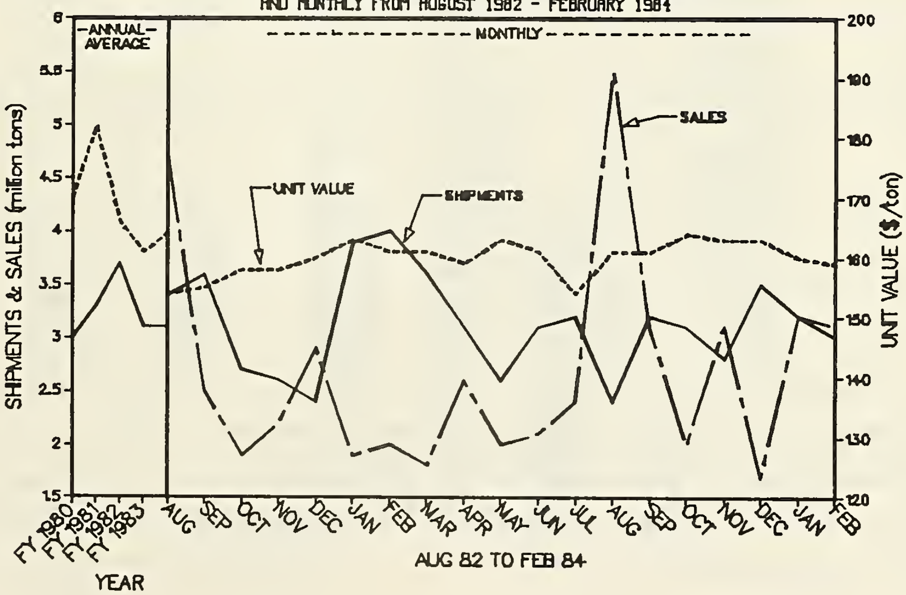
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(JULY/JUNE--MILLION TONS)

4 Weeks Ending 1/	Canada 82/83	Canada 83/84	Australia 82/83	Australia 83/84	Argentina 82/83	Argentina 83/84	France 2/ 82/83	France 2/ 83/84	Total 82/83	Total 83/84
January 26	1.0	.9	.7	1.6	1.6	1.7	1.1	.7	3.6	4.9
February 23	1.1	.8	.9	1.9	1.9	1.9	.8	.6	4.7	5.2
March 22	1.4	.8	.7	1.2	1.5	1.2	1.0	N/A	4.7	N/A
April 19	1.7	1.0	.7	N/A	.8	.8	.9	N/A	4.1	N/A
Cumul. in MY	15.9	15.2	7.8	7.8	6.2	7.8	8.5	6.8	38.4	37.6
Total for Season 3/	21.2	21.5	8.1	11.0	7.4	9.0	10.0	10.5	46.7	52.0

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1983/84.
* Denotes less than 50,000 tons.

U.S. WHEAT SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM AUGUST 1982 - FEBRUARY 1984

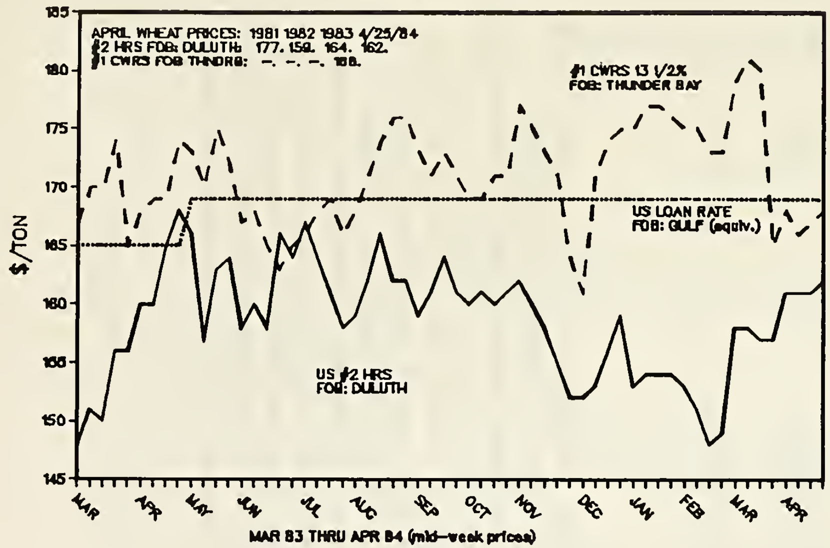


U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1981/82-1982/83; COMMITMENTS TO DATE FOR 1983/84 WITH COMPARISON TO 1982/83
(JUNE/MAY--1,000 TONS)

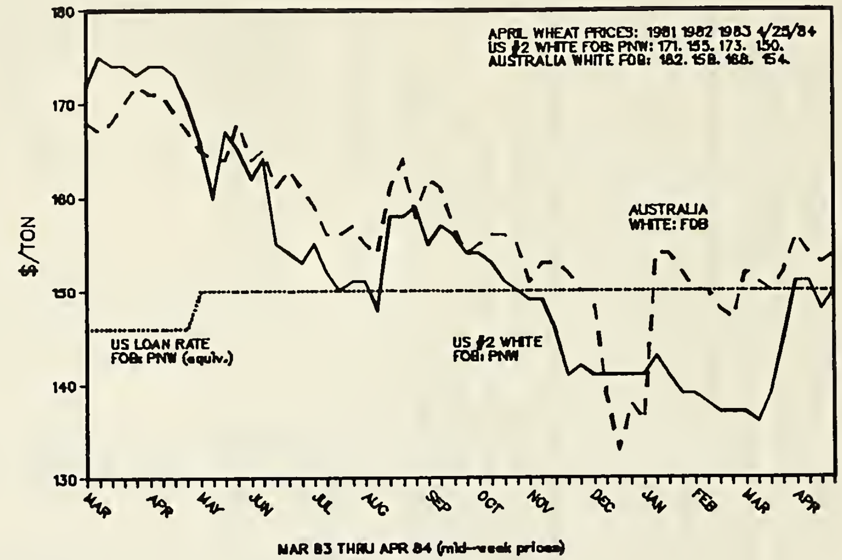
Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1981/82	185	1,416	123	5	749	2,478
	1982/83	3	1,162	35	53	495	1,748
	1982/83*	3	1,085	35	53	490	1,666
	1983/84**	3	1,077	8	--	247	1,335
Other W. Europe	1981/82	709	244	1,151	11	97	2,213
	1982/83	343	95	289	4	7	738
	1982/83*	373	95	291	4	7	770
	1983/84**	901	33	410	15	45	1,404
Eastern Europe	1981/82	22	--	425	--	107	554
	1982/83	--	--	122	--	74	196
	1982/83*	--	--	89	--	73	162
	1983/84**	--	--	283	--	71	354
USSR	1981/82	6,539	--	--	--	--	6,539
	1982/83	3,374	--	--	--	--	3,374
	1982/83*	3,370	--	--	--	--	3,370
	1983/84**	4,204	--	--	--	--	4,204
China	1981/82	115	--	7,830	5	--	7,950
	1982/83	386	--	4,938	--	--	5,324
	1982/83*	416	--	4,973	--	--	5,389
	1983/84**	1,401	--	1,573	--	--	2,974
Japan	1981/82	1,301	831	60	1,193	32	3,417
	1982/83	1,266	987	20	1,049	--	3,322
	1982/83*	1,263	1,027	20	1,138	--	3,448
	1983/84**	1,302	987	--	1,129	12	3,430
India	1981/82	498	--	--	1,082	--	1,580
	1982/83	2,480	--	--	1,405	--	3,885
	1982/83*	2,605	--	--	1,405	--	4,010
	1983/84**	198	--	--	968	--	1,166
Rep. of Korea	1981/82	621	149	3	1,048	--	1,821
	1982/83	605	162	--	990	--	1,757
	1982/83*	613	163	--	1,011	--	1,787
	1983/84**	631	210	2	1,151	--	1,994
Other Asia,	1981/82	1,598	1,429	1,008	1,297	--	5,330
Middle East,	1982/83	2,554	1,858	833	568	1	5,814
and Oceania	1982/83*	2,809	1,893	868	581	1	6,152
	1983/84**	2,616	1,531	258	1,376	21	5,802
Egypt	1981/82	--	--	--	2,483	--	2,483
	1982/83	--	--	397	1,331	--	1,728
	1982/83*	--	--	288	1,367	--	1,655
	1983/84**	--	--	539	892	--	1,431
Nigeria	1981/82	1,193	118	31	--	--	1,272
	1982/83	918	242	81	--	--	1,241
	1982/83*	914	242	83	--	--	1,239
	1983/84**	1,122	281	78	--	--	1,481
Other Africa	1981/82	526	86	1,329	--	907	2,917
	1982/83	611	95	1,086	--	666	2,458
	1982/83*	617	95	1,049	--	481	2,242
	1983/84**	471	7	1,977	23	815	3,293
Mexico	1981/82	767	--	--	--	--	767
	1982/83	57	--	--	--	--	57
	1982/83*	57	--	--	--	--	57
	1983/84**	--	--	--	--	--	--
Brazil	1981/82	2,961	--	126	--	28	3,115
	1982/83	2,113	--	--	--	--	2,113
	1982/83*	2,248	--	--	--	--	2,248
	1983/84**	2,213	--	66	--	--	2,279
Other W. Hemis.	1981/82	2,602	1,257	307	176	315	4,657
	1982/83	2,172	1,464	559	8	271	4,474
	1982/83*	2,238	1,577	570	10	281	4,676
	1983/84**	2,187	1,496	517	47	307	4,554
Total 1/	1981/82	19,637	5,540	12,391	7,300	2,242	47,110
	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1982/83*	17,576	6,283	8,497	5,569	1,449	39,374
	1983/84**	17,310	5,759	5,682	5,601	1,546	35,898
	MY Projection 2/	19,051	6,123	5,715	5,443	1,769	38,100

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1983/84, including flour and products.
* Sales plus accumulated exports as of April 21, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of April 19, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

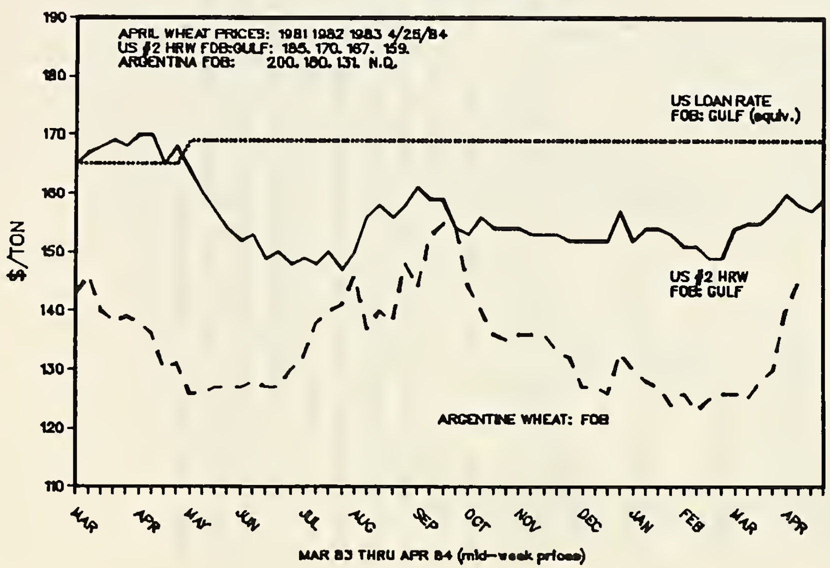
HARD RED SPRING WHEAT EXPORT PRICES
U.S. AND CANADIAN



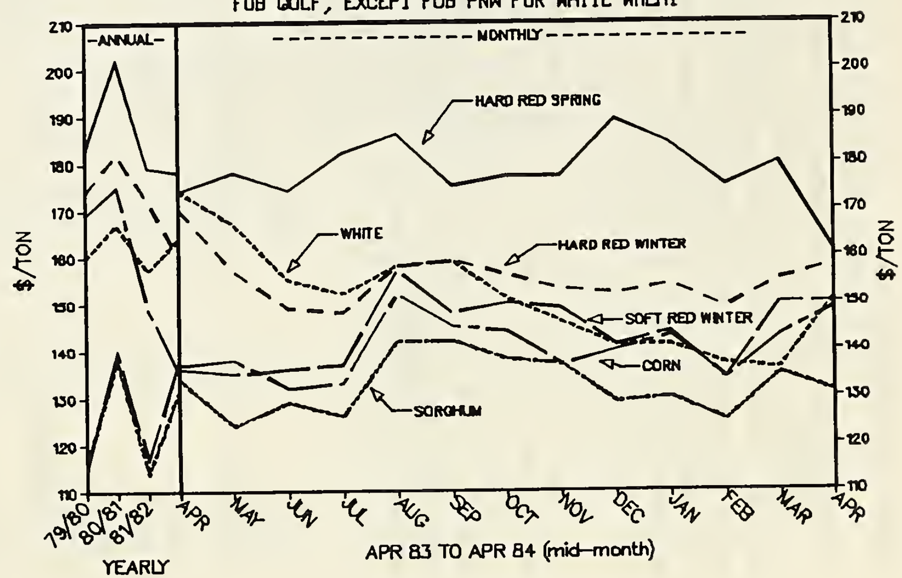
WHITE WHEAT EXPORT PRICES
U.S. AND AUSTRALIAN



HARD RED WINTER WHEAT EXPORT PRICES
U.S. AND ARGENTINE



U.S. GRAIN COMMODITY EXPORT PRICES
FOB GULF, EXCEPT FOB PNW FOR WHITE WHEAT



MARKET OPPORTUNITIES

**Tunisia: Wheat imports for July-June 1983/84, and in particular durum, are running well ahead of last year. To date, Tunisia has purchased about 485,000 tons of soft wheat and 488,000 tons of durum. Over half of all soft wheat imports so far this season have came from the United States, compared to only about a third in 1982/83, and virtually all of the purchased durum. Durum imports are running about 140 percent higher this season due to the low 1983 outturn.

The Tunisian grain market continues to represent an opportunity for future expansion of U.S. exports. With a growing population, relatively static grain production that is very dependent upon volatile weather conditions and a growing livestock sector, grain imports should continue to increase. In 1983/84, total grain imports are expected to reach nearly 1.3 million tons, compared to 854,000 tons in 1982/83.

TUNISIAN WHEAT IMPORTS
(JULY/JUNE--1,000 TONS)

Origin	1981/82	1982/83	Commitments To Date 1983/84
Durum			
U.S.	169	107	485
Canada	--	--	--
Greece	43	96	--
Italy	--	--	3
Subtotal	212	203	488
Soft Wheat			
U.S.	63	140	251
Canada	--	10	30
France	346	163	155
Other	5	115	49
Subtotal	414	428	485
TOTAL WHEAT	626	631	973

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

**United States: The supply of U.S. wheat in 1984/85 may decline some from earlier expectations due to recent domestic program decisions. The USDA recently reopened sign-up for the 1984 wheat program in an effort to encourage additional farmer participation. Producers who have not already done so are encouraged to sign up to take advantage of the revisions in the 1984 program. The basic legislated program changes are: (1) the target price has been lowered from $4.45 to $4.38 per bushel; (2) although the reduced acreage requirement remains at a minimum of 30 percent, 20 percent of the requirement must be under an acreage reduction program and the remaining 10 percent will be a paid land diversion with a paid diversion rate of $2.70 per bushel; (3) advance diversion payments will be available; and (4) Payment In Kind (PIK) payments are increased from 75 percent to 85 percent of the established yield times the acres diverted.

Other Exporting Countries Selling Activity and Competitive Practices

**France: Wheat and wheat flour exports have steadily increased over the past few years and are forecast to reach 10.5 million tons to non-EC destinations, in July-June 1983/84, half a million above the 1982/83 record level. In recent years the USSR and China have emerged as major markets for French wheat. French wheat and flour shipments July-February 1983/84 are running a half million tons ahead of last year's level for the same period. Significantly larger shipments to the USSR, Egypt, Algeria and Morocco more than offset declines to Poland, China, Brazil and Cuba.

FRENCH WHEAT AND FLOUR EXPORTS 1/
(JULY/JUNE--1,000 TONS)

Destination	1978/79	1979/80	1980/81	1981/82	1982/83	1982/83 Thru Feb	1983/84 Thru Feb
Algeria	22	215	166	452	213	141	298
Angola	11	29	193	94	120	76	105
Bangladesh	157	--	150	230	115	109	28
Brazil	238	--	--	116	126	81	--
Cameroon	98	85	107	176	141	74	101
China	--	--	496	116	1,346	892	112
Cuba	--	--	158	96	224	154	96
Egypt	1,261	1,250	1,932	1,002	501	446	1,187
Germany, DR	--	28	169	53	--	--	322
Indonesia	15	--	7	6	182	58	--
Iran	--	51	333	32	--	--	--
Ivory Coast	163	169	197	207	179	119	249
Korea, PDR	--	--	285	276	228	120	32
Morocco	748	685	1,400	1,132	178	178	403
Poland	523	970	1,234	1,502	1,310	563	174
Romania	--	--	204	517	--	--	--
Senegal	99	85	104	83	121	85	55
Syria	101	179	141	60	246	148	176
Tunisia	184	162	202	376	168	99	155
USSR	5	550	23	932	3,247	2,377	2,780
Other	1,303	846	1,599	1,652	1,316	861	795
TOTAL	4,928	5,304	9,100	9,110	9,961	6,581	7,068

1/ Flour is in grain equivalent

**Argentina: Argentina announced a number of measures that may translate into a somewhat larger wheat outturn in the coming season and will likely stimulate overall grain production and trade in the future. These involve the intent to continue to encourage government-to-government trade agreements (such as the one recently signed with Mexico), measures to encourage fertilizer and herbicide use and a program to funnel agricultural export tax revenues back into the agricultural sector. In addition, a wheat support price for the 1984/85 wheat crop, to be planted June-August, was announced--marking the first time a support price was announced before planting. In past years a price was set before harvesting.

**Australia: Over the month, Australia's aggressive wheat marketing has resulted in a number of significant sales. Reports indicate that, after weeks of deliberation, South Africa has purchased 400,000 tons of Australian feed wheat for May-October delivery, with authority to buy up to 750,000 tons of feed wheat by April 1985. Australia has also finalized an agreement with Bangladesh to provide an additional 200,000 tons of "general purpose" wheat on three year credit. Total Australian commitments to Bangladesh stand at about 400,000 tons, the largest level since 1978/79. In addition, Korea continued to purchase Australian feed wheat over the month, with total purchases estimated at about 450,000 tons. Korea began purchasing Australian feed wheat in January 1984 and to date has deliveries scheduled through May-June 1984. If Korea continues this recent buying pattern, total feed wheat purchases could approach a million tons by the end of the calendar year. These recent sales have likely displaced some potential U.S. corn and wheat sales, and this competition is expected to continue. A large quantity of Australian wheat is expected to be carried over into 1984/85; and latest reports from Australia indicate a record sown wheat area is expected in 1984, likely resulting in another large crop.

Competitive Developments in Selected Foreign Markets

**Austria: Two consecutive large grain harvests have further encouraged Austria to seek formal trade agreements with the USSR and the German Democratic Republic (GDR). Reports indicate that sales to the Soviet Union increased considerably in 1983/84, and it is likely that a long-term agreement will soon be signed between the two countries. It is currently under negotiation; however, it has been reported that a grain agreement would probably stipulate 300,000 tons of annual grain shipments. Austria has also agreed to discuss a long-term agricultural export plan with the GDR, primarily involving grain. In 1982/83 Austria shipped 100,000 tons of wheat and 11,000 tons of corn to the USSR; the GDR received about 100,000 tons each of Austrian wheat and barley and 40,000 tons of corn. Total Austrian wheat exports reached a record 365,000 tons in 1982/83 and 1983/84 exports are expected to reach nearly 600,000 tons. Total Austrian grain exports were about 675,000 tons in 1982/83 and are forecast to reach about 800,000 tons in 1983/84.

**Peru: U.S. wheat exports to Peru will resume with Peruvian government approval of the use of $150 million in GSM-102 export credits. Approval was granted for the use of $100 million for wheat and $50 million for soy oil. Peruvian approval comes after considerable delay as the USDA announced Peru's 1984 credit allocation on November 15, 1983. This delay enabled Argentina to sell about 300,000 tons of wheat to Peru since December, compared to approximately 75,000 tons from the United States. U.S. wheat exports to Peru should accelerate now that U.S. export credits can be utilized and Argentina has marketed most of its exportable surplus.

Special Report: Growth in Chinese Grain Imports Possibly Slowing

China's grain production (wheat, rice and coarse grains) since 1976 has grown an astonishing 40 percent. However, until the early 1980s this growth seems to have had little impact on the level of Chinese grain imports. This pattern appears to be changing as China is once again turning inward to meet its grain needs. Prior to this, rather than procuring grain from the surplus producing provinces, China increasingly relied on imports to provide national stocks and to supply the large coastal cities of Shanghai, Beijing, Tianjin and Shenyang. Five years ago even some of the major grain provinces were deficit producers, due partly to their large populations.

However, the bumper harvests in 1982 and 1983 have changed the situation, and some areas are having difficulty storing all the grain produced. With local surpluses mounting, provincial officials have intensified pressures on the central authorities for assistance. In one instance the province of Jiliu was permitted to ship 2.2 million tons of grain, mostly corn, to points further south in China. This quantity would approximate China's total corn imports for the 1982/83 marketing year. Where surplus grain could not be transported to another area due to limitations on transport facilities or a lack of demand or storage space in other provinces, an on-farm storage program was instituted whereby peasants were paid to store state grain for six months. A major constraint to moving surplus grain is still insufficient rail capacity, as priority is often given to other commodities, particularly coal.

This past year has seen a significant increase in the quantity of wheat, corn and rice being redistributed around China. Undoubtedly, even more grain is available for transfer but is being stored locally. Higher levels of transfers are likely precluded by a lack of storage facilities, controlled prices, and most importantly, a lack of rail transport and handling facilities. If China decides to take the steps necessary a more efficient internal redistribution of grain and also continues to enjoy large crops, import demand in the longer-run could fall, unless consumption growth should happen to accelerate. In addition, import demand would likely vary more with domestic production and consumption levels than in the past.

Internal Price Policies of Foreign Countries

**Canada: On April 13, the Canadian government announced initial payments to producers for the 1984 crop. Wheat payments declined for the second year in a row, reflecting expected lower world wheat export prices. The initial price serves as a floor for producer returns. The Grain Board pools its grain sales proceeds, deducts its operating costs and distributes any surplus in the pool to producers as final payments. Initial payments for spring and durum wheat are C$160, down 6 percent and 11 percent, respectively, from a year ago.

Apparently, the decline has only marginally discouraged total wheat plantings. The recently released "Statistics Canada" final planting intentions report indicated that barley and rapeseed area was not going to increase as much as earlier expected and that wheat area was expected to decline by only 2 percent from recent record levels. Initial payments on barley fell 4 to 5 percent, still resulting in a relatively high wheat to barley payment ratio. In fact, the intentions report showed durum area and winter wheat area up 20 and 16 percent, respectively. Western farmers appear hesitant about further shifts to rapeseed production due to uncertain yields and favorable feed grain prices.

In the past the forecast of planting intentions has been a good indicator of final area; however, intentions have the potential of changing considerably by planting time. Most analysts agree that these initial payment reductions were generally anticipated by producers and, therefore, were reflected in the survey. It is less clear how the current dry conditions in the prairies affected responses at the time of the survey, or how much shifting might occur from rape and barley to wheat if dry conditions continue into the planting season.

CANADIAN PRODUCER PAYMENTS
(AUGUST/JULY--C$ PER TON)

	No. 1 CWRS 1/		No. 1 Amber Durum	
Year	Initial	Final	Initial	Final
1980/81	156	227	184	205
1981/82	175	200	175	200
1982/83	175	192	175	187
1983/84	170	N/A	180 2/	N/A
1984/85	160	N/A	160	N/A

1/ No. 1 Canadian Western Red Spring.
2/ Was first set at C$165 per ton, then adjusted to C$180 on 2/20/84.
N/A Not available.

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis, while Canadian and Australian prices are on an export position basis. For example, in terms of quality differentials, the Canadian price is set for No.1 CWRS, while No.2 CWRS was discounted by approximately C$6 per ton and No.3 CWRS by about C$11 per ton; No.1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

	1983/84			1984/85		
Exporter	U.S.$ Equivalent		Local Currency	U.S.$ Equivalent		Local Currency
	per bu	--------per ton	----------	per bu	--------per ton	----------
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.96	109	3,700 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	N/A	N/A	N/A (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate.
N/A Not available.

Special Report: Impact of EC Plans to Cut Wheat Support Price

Under the EC's recently approved agricultural price package, domestic support (intervention) prices will decline by 1 percent in 1984/85 (in ECUs) for medium-quality bread wheat, corn and barley. Although that reduction is not likely to alter the upward trend in grain production, the EC Commission intends to make wheat more competitive as a feed in order to stimulate additional domestic use. Towards that objective, the Commission hopes to lower the domestic wheat market price by paying only the minimum-quality bread wheat price for intervention purchases, rather than the medium-quality price normally paid during the 3-month intervention stock purchase period of August through October.

That pricing change would narrow the gap between support intervention prices for feedgrains and minimum-quality bread wheat to 7.7 percent (compared to the normal gap of over 10 percent), but it may still be too wide to encourage much additional wheat feeding. If, however, more wheat than normal does move into feed rations in 1984/85, it would likely displace domestic barley which, in turn, would create internal pressure to export that displaced barley.

In 1983/84, a bumper wheat harvest, large carry-in stocks and relatively depressed prices vis-a-vis domestic feedgrains and imported non-grain feed ingredients (NGFIs) have resulted in an estimated 20 million tons of wheat used as feed, a third more than last season's record level. Yet the Community is still exporting record quantities of wheat to help alleviate domestic supply and price pressures. Conversely, tight barley supplies from a poor harvest in 1983 have mitigated much of the pressure to use or export barley. Feed use of barley for 1983/84 is presently estimated at just under 26 million tons, down more than 6 percent from the 27.6 million tons average over the past 5 years; barley exports for 1983/84 are forecast at only 2.5 million tons, down more than 40 percent from recent levels. With the likelihood of bumper wheat and barley harvests in 1984, the Community will face intensified pressures to increase the disposal (domestic use, exports or stocks) of both wheat and barley in 1984/85.

EC GRAIN PRICES
(AUGUST/JULY--ECU/TON)

Grain	1982/83	1983/84	1984/85
Common Wheat			
Target	250.61	261.43	259.08
Intervention	179.27	184.58	182.73
Reference-Bread Quality			
(Medium)	209.10	215.29	213.14
(Minimum)	198.70	203.67	196.76
Barley & Corn			
Target	228.27	238.17	236.30
Intervention	179.27	184.58	182.73

U.S. EXPORT EXPANSION ACTIVITY

**GSM-102: The U.S. Congress recently enacted legislation that will further assist in the development, maintenance and expansion of agriculture export markets. For example, for FY 1984, funding for the Commodity Credit Corporation (CCC) export credit guarantee program is to be increased by at least $500 million over the current $4.0 billion budgeted for all commodities. For FY 1984, GSM-102 and GSM-5 programs total $1.9 billion for wheat covering approximately 13 million tons.

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES
UNDER CCC GUARANTEE PROGRAMS *
(MILLION DOLLARS)

	FY 1983		FY 1984
	CCC Credit Guarantees Approved	Total Exports	CCC Credit Guarantees Announced
Algeria	---	114	160 1/
Bangladesh	28	105	---
Brazil	412 1/	355	445
Chile	110 1/	155	75
Colombia	---	141	85
Costa Rica	3	15	---
Dominican Republic	13	33	10
Ecuador	34	51	40
Egypt	178 1/	459	65 1/
Guatemala	19	20	18
Haiti	8	21	5
Iraq	210 1/	176	155
Jamaica	7 1/	15	16 1/
Korea	126	301	130
Morocco	161 1/	182	244 1/
Nigeria	30	195	---
Peru	127	123	100
Philippines	19	166	75
Portugal	87 1/	80	117
Tunisia	48 1/	57	133 1/
Turkey	---	---	44
Yemen	53	40	---
Yugoslavia	41	40	---
TOTAL	1,714	2,844	1,917

* Includes GSM-102 and GSM-5.

1/ Includes GSM-5 credit guarantees.

**PL-480: A PL-480 Title I agreement with Sierra Leone was signed providing for sales of approximately 11,000 tons of wheat. The USDA recently issued revised country and commodity allocations for FY 1984 under Title I and III of PL-480. The revised allocations for grains follows:

REVISED FY 1984 PUBLIC LAW 480 TITLE I/III
COUNTRY AND COMMODITY ALLOCATIONS
(1,000 TONS GRAIN EQUIVALENT)

Country	$Million-Total	Wheat/Flour	Rice	Feedgrains
$805 or Less Per Capita GNP				
Bangladesh	65.0	197	50	--
Bolivia	10.0	60	--	--
Egypt	250.0	1,545 1/	--	--
El Salvador	32.0	106	3	60
Guinea	2.0	--	6	--
Haiti	11.0	47	--	--
Honduras	8.0	47	--	--
Indonesia	30.0	--	45	--
Kenya	5.0	88	45	--
Liberia	15.0	--	36	--
Madagascar	8.0	--	23	--
Pakistan	50.0	--	--	--
Senegal	8.0	6	13	28
Sierra Leone	3.0	11	3	--
Somalia	16.0	28 1/	18	--
Sri Lanka	25.0	150	--	--
Sudan	50.0	299 1/	--	--
Tanzania	3.0	--	4	11
Yemen	3.0	5 1/	5	--
Zaire	10.0	58 1/	--	--
Zambia	7.0	17	6	--
Subtotal	611.0	2,670	223	99
Over $805 Per Capita GNP				
Congo (Brazzaville)	2.0	--	6	--
Costa Rica	20.0	127	--	15
Dominican Republic	20.0	--	--	125
Guatemala	7.0	--	--	--
Jamaica	20.0	49 2/	14	31
Mauritius	3.5	6 1/	8	--
Morocco	45.0	281	--	38
Peru	20.0	65	35	--
Tunisia	15.0	37	--	70
Subtotal	152.5	565	63	279
Allocated	763.5	3,235	286	378
Unallocated Reserve	27.5	--	--	--
TOTAL PROGRAM	791.0	--	--	--

1/ Wheat equivalent of flour or contains some portion of wheat equiv. of flour
2/ Contains some portion of blended and/or fortified foods.

U.S. WHEAT/WHEAT FLOUR TRADE UNDER PL-480 WITH SELECTED COUNTRIES *
(1,000 TONS)

	FY 1983		FY 1984
	Exports Under PL-480	Total Exports	Agreements Signed 1/
Bangladesh	228	803	197
Bolivia	137	137	60
Costa Rica	70	85	127
Egypt	1,474 2/	3,536	1,545 2/
El Salvador	131	135	106
Honduras	71	107	47
Indonesia	83	914	88
Morocco	194	1,320	175
Sierra Leone	3	31	11
Somalia	23 2/	34	28 2/
Sri Lanka	155	216	150
Sudan	297 2/	480	182 2/
Zaire	60 2/	73	58 2/
TOTAL	2,926	7,871	2,774

* Transactions under Title I and III.
1/ Approximate quantities based on dollar value of agreements.
2/ Includes grain equivalent of flour.

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. Projected October-September 1983/84 U.S. corn exports, excluding about 430,000 tons of products, remain unchanged at 47.8 million tons (1.9 billion bushels) as the export pace continues strong. The U.S. sorghum forecast is also unchanged at 5.7 million tons (225 million bushels) as high world corn prices sustain sorghum demand, keeping the export pace active.

Shipments and Sales. U.S. corn sales for the 4-week period ending April 19 fell nearly 40 percent from the high level of the previous period as Japanese and Soviet buying slowed. However, Japan was again the principal buyer for the month, followed at some distance by the USSR. Likewise, Japan and the Soviet Union were the primary destinations for overall higher corn shipments during the period. Sorghum sales for the month recovered after the previous period's drop as Mexican buying increased. Mexico was also the primary destination for overall lower U.S. sorghum shipments.

IMPORTER BUYING ACTIVITY

Sales activity slowed appreciably with the sharp reduction in reported new Soviet purchases. Korea, the Philippines and Portugal continue to purchase U.S. corn, while Mexico continued to purchase U.S. sorghum, despite its agreement with Argentina.

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN MAR. 29, 1984 AND APR. 26, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
4/12	Dominican Rep.	U.S.	65,300	#3 YC	150.87 @ 151.27	Apr-Jul
4/9	Egypt	Optional	200,000	#3 YC	175.00 @ 176.84 C&F	May
4/19	Greece	France	32,000	Corn	?	May
4/9	Israel	U.S.	25,000	#2 YS	116.15	Oct
4/4	Korea	U.S.	50,000	#2 YC	156.50	Apr-May
4/10	Korea	U.S.	52,000	#3 YC	167.27 C&F	May
4/18	Korea	U.S.	55,000	#2 YC	166.20 C&F	May
4/19	Korea	U.S.	100,000	#3 YC	165.29 @ 165.98 C&F	May-Jun
4/19	Korea	Australia	25,000	Sorghum	143.60 C&F	May
9/11	Mexico	U.S.	290,000	#2 YS	?	May
3/29	Philippines	U.S.	25,000	#2 YC	181.35 C&F	Apr-May
4/4	Philippines	U.S.	25,000	#2 YC	159.37	Apr-May
4/17	Philippines	U.S.	25,000	#2 YC	178.25 C&F	May
4/6	Portugal	U.S.	36,000	#3 YC	?	Apr-May
4/13	Portugal	U.S.	23,500	#3 YC	?	Apr-May
4/18	Taiwan	Australia	25,000	Sorghum	142.50 C&F	Jun
4/19	Taiwan	U.S.	33,000	#2 YC	174.41 C&F	May
3/29	USSR	U.S.	250,000	Corn	?	83/84
4/2	Unknown	U.S.	100,000	Corn	?	83/84
4/18	Unknown	U.S.	105,480	Corn	?	83/84

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries' Selling Activities and Competitive Practices

**Argentina: A record 2.3 million tons of grain and oilseeds where shipped in March, about 200,000 tons above last season's record despite earlier reports of shipping delays and port congestion. Argentine new crop corn, sorghum and soybeans began to move into export channels in March, competing for handling capacity with large wheat movement. However, Argentine corn shipments in March were also a record. Barring labor difficulties, Argentina is not expected to have any unusual problems in exporting coarse grain this season. Heavy early wheat movement in the December-March period and overall lower wheat export availabilities are expected to result in a significantly lower quantity of wheat moving April-June, freeing capacity to handle heavy coarse grain shipments.

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTION 1/
(OCTOBER/SEPTEMBER--MILLION TONS)

Monthly Shipments

4 Weeks Ending	CORN 82/83	CORN 83/84	SORGHUM 82/83	SORGHUM 83/84
January 26	4.0	3.8	.5	.5
February 23	4.4	3.6	.4	.6
March 22	4.3	3.9	.6	.7
April 19	3.5	4.0	.2	.4
Cumul. in MY	28.9	29.7	3.6	3.9

Monthly Sales 2/

4 Weeks Ending	CORN 82/83	CORN 83/84	SORGHUM 82/83	SORGHUM 83/84
January 26	4.6	2.2	.1	.1
February 23	4.1	2.8	.2	.9
March 22	4.8	4.6	.1	.3
April 19	3.9	2.8	.5	.6
Cumul. in MY	40.5	39.8	4.2	5.2

Weekly and Annual Inspection Rates

	CORN MT	CORN BU	Sorghum MT	Sorghum BU
Week Ending April 12	1.0	38.3	.11	4.4
Week Ending April 19	1.1	44.5	.10	3.8
Official Estimate for Current MY (Grain only)	47.8	1883	5.72	225
Implied Weekly Average	.9	36.2	.11	4.3
Latest Six Weeks Weekly Average	1.0	40.7	.12	4.6
Marketing Year-To-Date Weekly Average	1.0	40.2	.13	5.0
Weekly Avg. Extrapolated Annually	53.1	2090	6.60	260
Balance of Year to Achieve Estimate Implied Weekly Average	.8	31.5	.09	3.5

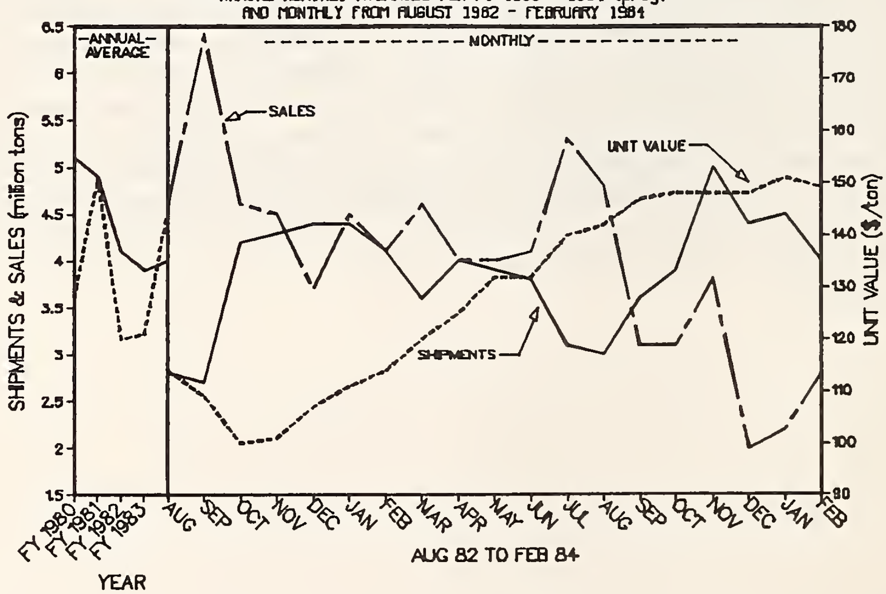
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.
* Denotes less than 50,000 tons.
Source: Export Sales; FGIS

CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

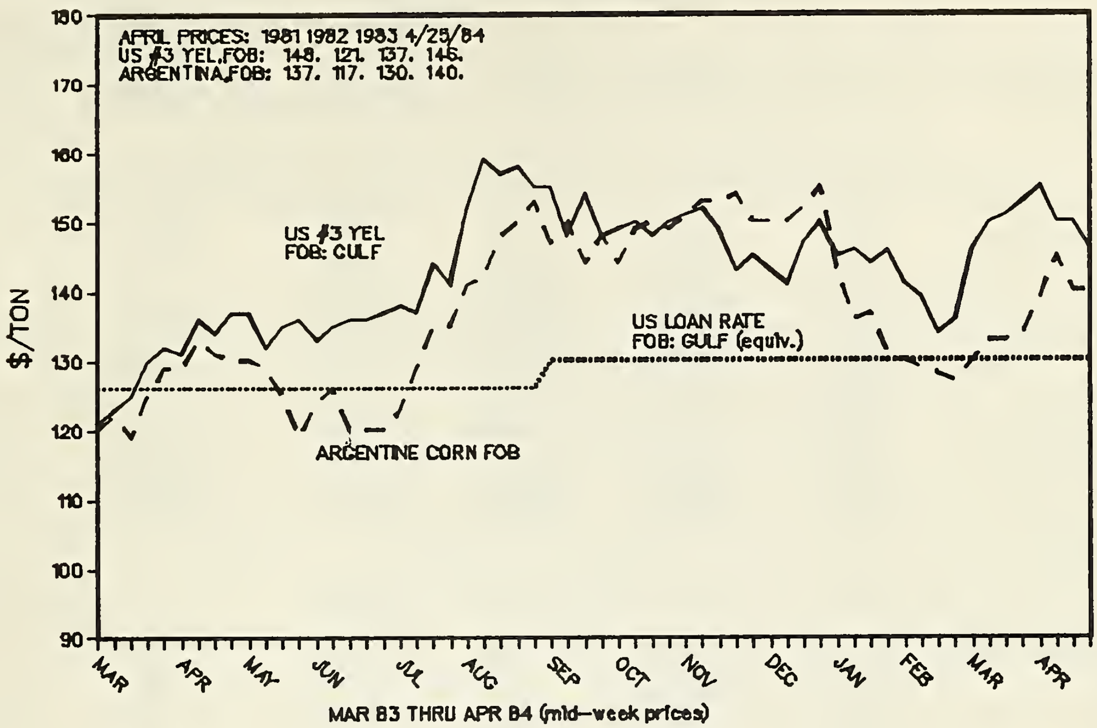
4 Weeks Ending 1/	SORGHUM Argentina 82/83	SORGHUM Argentina 83/84	CORN Argentina 82/83	CORN Argentina 83/84	CORN Thailand 82/83	CORN Thailand 83/84	Total 82/83	Total 83/84
January 26	.1	.1	.4	.1	.1	.2	.6	.4
February 23	.1	*	.2	*	.1	.2	.4	.2
March 22	.3	.1	.2	.2	.1	.1	.6	.4
April 19	.6	.5	.7	.8	.2	N/A	1.5	1.3
Cumul. in MY	1.7	1.6	2.2	1.8	1.4	1.7	5.3	5.1
Total for Season 2/	5.0	6.1	6.5	6.4	2.2	3.0	13.7	15.5

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1983/84.
* Denotes less than 50,000 tons.

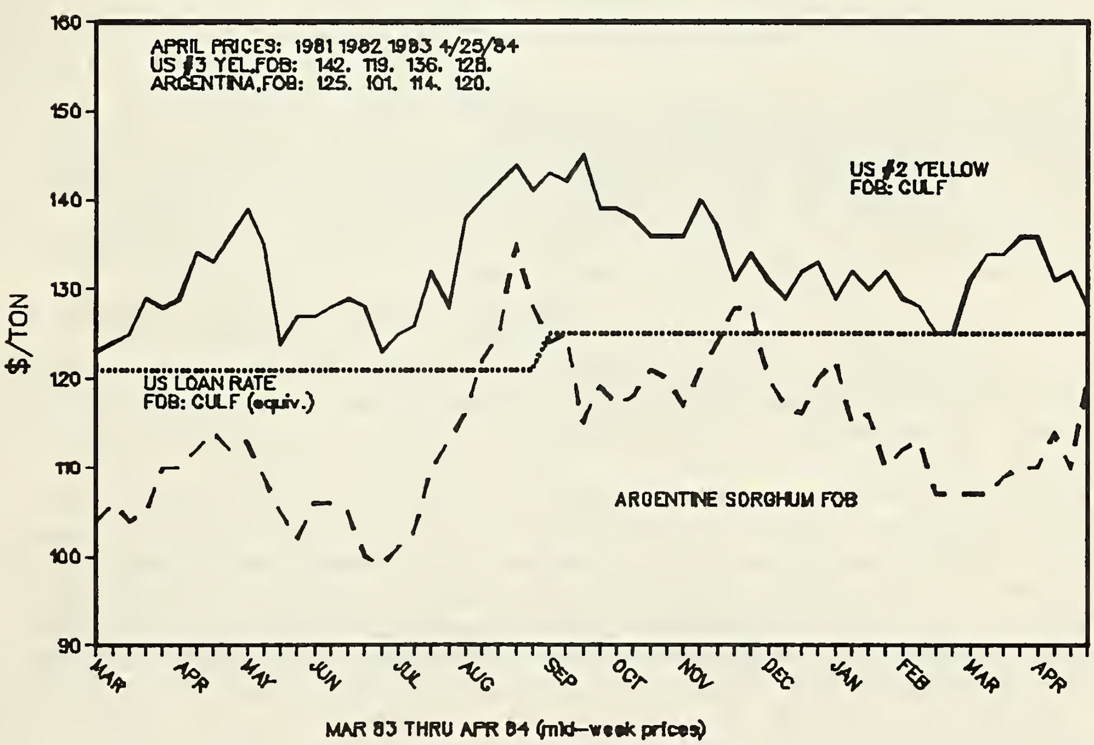
U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM AUGUST 1982 - FEBRUARY 1984



CORN EXPORT PRICES
U.S. AND ARGENTINE



SORGHUM EXPORT PRICES
U.S. AND ARGENTINE



U.S. CORN AND SORGHUM EXPORTS BY DESTINATION
(OCTOBER/SEPTEMBER--1,000 TONS)

Destination	1980/81	1981/82	1982/83 Actual Exports	1982/83 Committed as of 4/21/83 1/	1983/84 Committed as of 4/19/84 1/
CORN					
EC	9,185	6,997	4,033	2,575	2,189
Other W. Europe	5,503	6,579	5,190	3,808	3,389
Eastern Europe	6,741	3,607	1,471	1,112	419
USSR	4,947	7,499	3,208	3,208	6,044
China	725	1,117	2,175	2,105	--
Japan	12,586	10,588	14,524	12,911	14,729
Taiwan	1,502	1,718	2,971	3,126	2,216
Rep. of Korea	2,304	2,690	3,815	2,707	2,200
Egypt	1,129	1,348	1,638	1,108	864
Canada	1,050	800	720	152	13
Mexico	3,832	554	4,305	2,563	1,706
Venezuela	692	414	841	582	562
Others	9,075	6,029	3,102	4,157	5,371
Total	59,749	49,940	47,993	40,114	39,702
SORGHUM					
Spain	179	790	149	149	317
Other W. Europe (excluding Spain)	595	540	286	233	82
Japan	2,725	2,437	926	738	1,462
Israel	449	368	432	291	589
Mexico	2,647	544	3,196	2,294	1,962
Venezuela	501	713	231	--	54
Others	606	898	501	479	588
Total	7,702	6,290	5,721	4,184	5,054

1/ Accumulated shipments and sales, excluding sales for next marketing year.
Source: U.S. Census for 1980/81-1981/82 and U.S. Export Sales for 1982/83-1983/84.

**Mexico: After years of reliance on the United States for virtually all its grain imports, Mexico has agreed to purchase at least a million tons of Argentine grain and oilseeds each year for 5 years beginning in 1984. Mexico has already purchased 360,000 tons of sorghum, 100,000 tons of wheat and 180,000 of sunflowerseed from Argentina in 1984, leaving about 360,000 to be purchased this year. Although Mexico imports mostly corn and sorghum, remaining purchases under the agreement will likely include wheat, sorghum, soybeans or sunflowerseeds; corn is also specified in the agreement, but Mexico has not purchased significant quantities of corn from Argentina. Some of the Argentine grain is reportedly destined for Mexican reserve stocks, which at present record high levels could help lower future import needs.

Over the past decade, Mexican import demand for grain has shot up from less than a million tons annually, to over 6 million tons in 4 of the past 5 years, with the United States supplying over 95 percent. But this year, with relatively high U.S. feedgrain prices, abundant grain supplies in Argentina and a growing movement to strengthen Latin American unity, Mexico has turned increasingly to Argentina. Mexico's efforts to diversify sources of supplies means the United States could likely provide less than 80 percent of Mexico's total grain imports in 1983/84.

Competitive Developments in Selected Foreign Markets

**South Africa: Reports indicate that South Africa has purchased 400,000 tons of Australian feed wheat for May-October delivery and that the government approved the purchase of up to a total of 750,000 tons of wheat through April 1985. The feed wheat purchase will reduce overall South African corn import requirements, currently forecast at 3 million tons for October-September 1983/84, which were expected to be primarily filled from U.S. supplies. South Africa has purchased and/or received 1.8 million tons of U.S. corn to date.

In the meantime, the South African Transport Services (SATS) is preparing to handle up to 5.5 million tons of grain imports through its facilities this year. This will include grain imports of between 3.5 to 4 million tons through April 1985 for its own use; 600,000 tons for Zimbabwe 300,000 tons for Zambia; and 400,000 tons for Zaire and, possibly some shipments to Lesotho, Botswana, and Swaziland. Facilities at Port Elizabeth Harbor will be modified to handle imports to the neighboring states, relieving pressure on Durban, Capetown and East London, currently the only ports receiving grain imports. Adding Port Elizabeth will also improve rail movement efficiency as Zambian copper exports will be transported to the port in the same trains that would return with the corn. An estimated 20 percent of the corn for neighboring states will be bagged and moved on top of bulk grain in open railcars. For that purpose three bagging machines will be sent from Durban to Port Elizabeth. South Africa is expected to move this record quantity of grain imports successfully. SATS is accustomed to handling large quantities of export grain, while general traffic levels are low due to the depressed economy.

**Poland: Imports of U.S. grain will probably remain low as a result of hard currency shortages and the substitution of domestically produced grains for imported corn in feed compounds. Decisions in the past few months to import more than 100,000 tons of meat have greatly limited Poland's ability to spend hard currency for grain imports. Although compound feed production is expanding, the principal ingredients in feed compounds will increasingly be domestically produced barley, rye and wheat at the expense of imported corn. Consequently, U.S. grain exports to Poland, which have consisted mostly of corn, will likely continue to decline or remain at near current low levels. Annual Polish imports of U.S. grain have dropped to only about 200,000 to 600,000 tons in recent years, compared to 2 to 3 million tons annually between 1975 and 1980.

Internal Price Policies of Foreign Countries

**Colombia: To stimulate production of commodities in short supply domestically and to reduce import needs, government price supports for the forthcoming mid-1984 grain harvest (June-August) have been increased. The impact of the government's plan will likely fall in the 1984/85 marketing year and, if successful, could reduce import needs if domestic production increases outpace rising Colombian consumption. Price increases vary from 5 percent for corn, sorghum and most classes of rice, to about 20 percent for barley. Wheat prices rose about 10 percent. While support prices have increased, producers are faced with an expected inflation rate of approximately 10 percent for the coming year. However, due to the weakness of the peso relative to the U.S. dollar, the cost of domestic grain has declined in dollar terms, making local grain more competitive with imports. Coarse grain and wheat imports for 1983/84 are projected to increase by about 15 percent, to near record levels, from last year's 900,000 tons, 85 percent of which came from the United States.

**Portugal: To reduce expenditures on imports, Portugal will attempt to stimulate domestic grain production by increasing 1984/85 minimum producer prices for corn, sorghum and rice by over 40 percent from 1983/84 prices. The minimum producer prices per ton are: corn, $240; sorghum, $230; and rice, between $250 and $320. Annual Portugese grain production, though erratic, has averaged around 1.2 million tons for the past several years. However, annual production has generally declined since the 1971 peak of roughly 1.9 million tons. This has lead to a significant increase in grain imports that now average about 3 million tons annually. The United States supplies almost all of Portugal's import requirements, primarily corn and wheat, as a result of Portugese participation in the GSM-102 Program. The increase in producer prices, however, will not likely have a major impact on Portugese imports of U.S. grain in the near-term. Portugal lacks the land base and irrigation facilities to significantly increase domestic grain production.

BARLEY, OATS AND RYE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

The slow pace of U.S. oat sales has resulted in a 40 percent reduction in the June-May 1983/84 export forecast, to 45,000 tons. Estimates for barley and rye exports remain unchanged as world coarse grain demand continues strong.

U.S. EXPORTS OF BARLEY, OATS AND RYE
(JUNE/MAY--1,000 TONS)

Grain	1982/83	1983/84 1/
Barley	1,028	2,175
Oats	57	45
Rye	5	25

1/ Projected.

MARKET OPPORTUNITIES

Special Report: Stronger Middle Eastern Import Demand for Barley

Among Middle Eastern and North African countries where barley is an important feedgrain, tightening supplies could mean an additional 1 to 1.5 million tons of import demand for the United States and other barley exporters outside the region. In earlier years, bumper harvests in Syria and Turkey enabled annual exports of over a million tons of barley, primarily to neighboring countries in the Mediterranean area. But with recent relatively poor crops, rising domestic demand has depleted exportable supplies to the point that both Syria and Turkey could be out of the export market for the next few seasons.

Syria will likely remain out of the barley export market for the balance of 1983/84 now that surplus stocks from bumper harvests in 1980 and 1981 have been exported. In good years, the Syrian barley crop is normally sufficient to meet local demand; consecutive poor harvests, could mean several hundred thousand tons of imports. Import volumes, however, will be constrained by limited foreign exchange.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1980/81	1981/82	1982/83 Total Exports	1982/83 Committed as of 4/21/83 1/	1983/84 Committed as of 4/19/84 1/
EC	247	301	112	112	349
Other W. Europe	20	472	226	226	529
Eastern Europe	92	111	--	--	126
Taiwan	226	373	146	146	223
Japan	209	336	119	118	372
Canada	--	128	--	--	--
Others	853	546	317	318	505
Total	1,647	2,267	920	920	2,104

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1980/81-1981/82 and U.S. Export Sales for 1982/83-1983/84.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

4 Weeks Ending 1/	U.S. 82/83	U.S. 83/84	CANADA 82/83	CANADA 83/84	FRANCE 2/ 82/83	FRANCE 2/ 83/84	U.K. 2/ 82/83	U.K. 2/ 83/84	Total 82/83	Total 83/84
January 26	.1	.2	.3	.3	.1	.1	.2	.1	.7	.7
February 23	.1	.2	.3	.2	.1	.1	.3	.1	.8	.6
March 22	.1	.1	.4	.2	.1	N/A	.3	N/A	.9	N/A
April 19	N/A	.2	.3	.4	.1	N/A	.2	N/A	.6	N/A
Cumul. in MY	.9	1.4	2.9	2.4	.6	.4	1.1	.4	5.5	4.6
Total for Season	.9	2.0	6.0	5.5	1.1	.8	1.4	.5	9.4	8.8

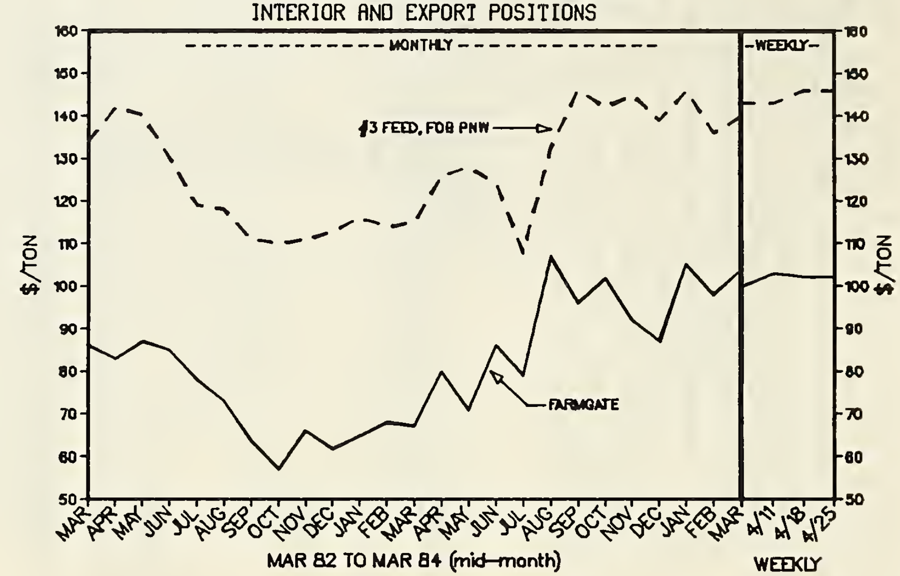
1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1983/84.
N/A Not available.
* Less than 50,000 tons.

U.S. OATS EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1980/81	1981/82	1982/83 Total Exports	1982/83 Committed as of 4/21/83 1/	1983/84 Committed as of 4/19/84 1/
EC	35	4	--	--	5
Canada	5	1	--	--	--
Mexico	35	16	--	--	--
Venezuela	28	10	1	1	3
Others	108	87	3	3	1
Total	211	118	4	4	9

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1980/81-1981/82 and U.S. Export Sales for 1982/83-1983/84.

U.S. FEED BARLEY PRICES
INTERIOR AND EXPORT POSITIONS



U.S. RYE EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1980/81	1981/82	1982/83 Total Exports	1982/83 Committed as of 4/21/83 1/	1983/84 Committed as of 4/19/84 1/
EC	18	1	--	--	3
Other W. Europe	40	13	--	--	--
Canada	--	15	--	--	--
Others	72	9	--	--	20
Total	130	38	--	--	23

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1980/81-1981/82 and U.S. Export Sales for 1982/83-1983/84.

As in Syria, Turkish trade is largely a function of crop size. After record harvests in 1981 and 1982, a more normal, smaller crop in 1983 has necessitated imports to meet the requirements of the local feed industry and to ease rising price pressures. So far in 1983/84 Turkey has purchased nearly 350,000 tons of barley from the United States and another 170,000 tons from Canada and West Germany. Turkey has not sold any barley for export since April 1983. Support prices for barley have recently been doubled, but will not influence the 1984 crop, which was planted several months ago. Larger domestic production over the longer-term would reduce overall grain import needs, although large harvests would be needed to outpace domestic consumption and return Turkey to a net exporter position.

TURKISH AND SYRIAN BARLEY EXPORTS
(OCT-SEPT 1982/83--1,000 TONS)

Destination	Turkey	Syria	Total
Iran	180	230	410
Lebanon	50	--	50
Libya	100	195	295
Saudi Arabia	105	--	105
Kuwait	--	20	20
Iraq	20	--	20
Jordan	--	20	20
Poland	155	--	155
Switzerland	65	--	65
TOTAL	675	465	1,140

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Internal Price Policies of Foreign Countries

**Canada: Initial payments for barley and oats were recently announced for the 1984 crop, registering a decline of 4 to 5 percent. Payments likely were lowered given expectations of lower export prices for 1984/85. A more normal Canadian crop is expected this season, following a drought-reduced 1983 barley outturn; and an easing in the relatively tight world coarse grain situation is expected with a more normal U.S. corn outturn.

CANADIAN INITIAL PAYMENTS
(AUGUST/JULY--C$ PER TON)

Grain	1982/83	1983/84	1984/85
Feed Barley	110	110	105
Designated Barley 1/	158	140	135
Feed Oats	96	100	95
Designated Oats 1/	140	140	135

1/ Designated barley and oats are high quality grains used for malting or milling.

Competitive Developments in Selected Foreign Markets

**Japan: Japan is apparently continuing to import Canadian rye; Canadian August-March shipments total about 180,000 tons, or about 20,000 to 30,000 tons of Canadian rye monthly. In recent years Japan has imported only about 20,000 to 100,000 tons of rye annually. Total Japanese rye imports are forecast to reach about 250,000 tons.

RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES 1/

Export Forecast. U.S. rice exports in August-July 1983/84 are now forecast at 2.0 million tons, down 100,000 tons from last month's forecast due to the continued slow pace of sales thus far this season and reduced sales prospects to Korea and Nigeria.

Shipments. U.S. rice exports during the 4-week period ending April 19 were up sharply at 218,000 tons, compared to the previous low 4-week total of 131,500 tons. Major destinations included Iraq, Bangladesh and South Africa. Cumulative shipments through April 19 totaled 1.5 million tons, nearly matching the level of shipments as of the same date one year ago. Monthly exports will need to average 165,000 tons (milled basis) for the remainder of the marketing year to reach the export forecast of 2.0 million tons.

Sales. New sales registrations for 1983/84 delivery during the 4-week period ending April 19 totaled 179,600 tons, which was more than double the level of sales during the previous period. PL-480 sales to Indonesia and Madagascar, which accounted for almost half of total registrations for the period, and commercial sales to South Africa comprised the bulk of new sales. Total export commitments for 1983/84 delivery now stand at 1.9 million tons, down about 10 percent from the 2.1 million tons registered as of the same date last year.

IMPORTER BUYING ACTIVITY

The world market was again very active during the past month, although the level of activity was somewhat lower than in March. Nigeria was the most notable buyer, but Iran, India and the Comoro Islands also made significant purchases. A good volume of Thai parboiled and brown rice has been sold to various countries in Europe for shipment through June. Uruguay and Argentina seemingly have little interest in selling in Europe and are apparently concentrating on Middle Eastern markets.

ESTIMATED 1984 IMPORT COMMITMENTS FOR SELECTED COUNTRIES

Buyer	U.S.	Thailand	Pakistan	Burma	Other	Total Committed	Forecast Imports
India	10	285	--	225	--	520	675
Indonesia	54	120	15	65	330	584	700
Iran	--	160	145	--	145	480	680
Iraq	161	120	--	--	--	281	440
Nigeria	25	510	180	--	--	715	775

1/ Shipments and sales data are on a product basis.

RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN MARCH 30 AND APRIL 27, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price $/MT 2/	Delivery Period	Date of Report
Algeria	Thailand	10.0	100% B	247	N/A	4/25
Cameroon	Thailand	8.0	Spec. Mix	N/A	N/A	4/26
Comoros	Pakistan	26.0	40/45%	215	May/Sep	4/17
	Thailand	20.0	35%	N/A	N/A	4/12
India	Burma	50.0	35%	188.5	N/A	4/6
Indonesia	Thailand	5.0	GL 10% LG	N/A	N/A	4/5
Iran	Argentina	60.0	4% LG	404-414	N/A	4/24
	Pakistan	50.0	Basmati	600	Apr/May	4/17
	Thailand	15.0	100% B	N/A	N/A	4/12
		15.0	100% B	N/A	N/A	4/26
Italy	Thailand	5.0	A-1 S	195	May	4/11
		7.5	A-1 S	N/A	N/A	4/26
		1.5	100% B	N/A	N/A	4/26
Jamaica	U.S.	4.0	#5/20% MG	N/A	N/A	4/5
Madagascar	Thailand	10.0	A-1 S	N/A	N/A	4/12
		10.1	A-1 S	N/A	N/A	4/18
Malaysia	Thailand	7.5	100% B	N/A	N/A	4/5
Maurituis	Burma	1.0	10%	225	Apr/June	3/29
Nigeria	Pakistan	30.0	40/45%	222 3/	May/Aug	4/10
		150.0	15/20%	240 3/	May/Dec	4/10
	Thailand	11.0 5/	P 5%	N/A	N/A	4/5
		40.0	P 5%	233	N/A	4/9
		20.0	A-1 Spec	194	N/A	4/9
		340.0	N/A	N/A	N/A	4/9
		4.0	P 5%	N/A	N/A	4/12
	U.S.	10.1	P #2/4% LG	N/A	N/A	3/29
		2.4	P #2/4% LG	N/A	N/A	4/12
Romania	Thailand	20.0	15%	N/A	May/Aug	4/5
Senegal	Thailand	30.1	A-1 Spec	N/A	N/A	4/26
Somalia	U.S.	18.8	#5/20% MG	290-295 4/	May/July	4/25
South Africa	U.S.	10.5	B #2/4% LG	N/A	N/A	4/5
		18.3	B #2/4% LG	N/A	N/A	4/19
Syria	Thailand	12.0	100% C	N/A	N/A	4/19
N/A	Burma	10.0	35%	190	Apr/May	4/23
N/A	Burma	10.0	A 1+2	184	Apr/May	4/23

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B = Brown, F = Fragrant, L/Bld = Long, Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ C&F
4/ FAS, PL 480 Title I
5/ Includes Nigeria/West Africa

N/A Not available.

**Iraq: A tender for 37,500 tons of U.S. #2/4% long grain rice was issued on April 8 by the Iraqi Grain Board. Initially the awards were to have been made on April 18, but apparently the Iraqis continued their negotiations with suppliers until April 24. As of April 26, no results had been announced, but there was speculation that actual purchases far exceeded the original tender amount.

**Iran: The General Trading Corporation (GTC) was again very active during the past month. GTC purchased 50,000 tons of Basmati rice from Pakistan and reportedly bought 60,000 tons of high quality white rice from Argentina, as well as another 15,000 tons of Thai 100% B. Iran is now believed to be well covered for the near term and is not expected to return to the market in the next several months.

**Nigeria: Reports last month on negotiations for possibly large purchases of Thai and Pakistani rice proved accurate, as the new Nigerian government concluded large buying agreements with both countries. Nigeria purchased 30,000 tons of Sind 40/45% and 150,000 tons of Sind 10/15% rice from Pakistan and signed a letter of intent to purchase 400,000 tons of Thai rice--although only 60,000 tons of Thai rice were actually priced (40,000 tons of parboiled 5% and 20,000 tons of broken white rice). The quality composition of the remaining 340,000 tons is not known, but it is likely that most of this quantity will be parboiled rice.

The large purchases of white rice, in addition to the expected purchases of parboiled rice, led to speculation last month that the new government was trying to end the movement of contraband rice from Cameroon and Togo into northern Nigeria where white rice is traditionally eaten. It also may suggest that large imports of white rice have been necessitated by greater drought damage to the 1983 crop than was earlier thought. Subsequent reports suggested, and USDA is forecasting, that total production was down 100,000 tons from the previous year, and that some parts of the rice-producing areas in the north may have produced no rice at all. If this is true, with purchases of white rice being made to cover shortages in the north, then it is quite likely that further substantial purchases of parboiled rice will be made, and total Nigerian rice imports could exceed the current forecast of 775,000 tons for CY 1984. However, Nigeria's current financial difficulties could be a limiting factor.

**Indonesia: The stock situation remains very stable in Indonesia, with government held stocks on April 1 reaching 1.43 million tons, 40 percent higher than the level of stocks as of the same date one year ago. Stocks are now only about 10 percent below the level on this date in 1982, when total imports for the year were only 332,000 tons. Actual imports through the first quarter of 1984 totaled nearly 190,000 tons, compared to imports of almost 247,000 tons during the same period in 1983.

**India: Reports indicate the purchase of another 50,000 tons of Burmese rice in the past month, and there is continued talk of negotiations for an additional large purchase from Thailand.

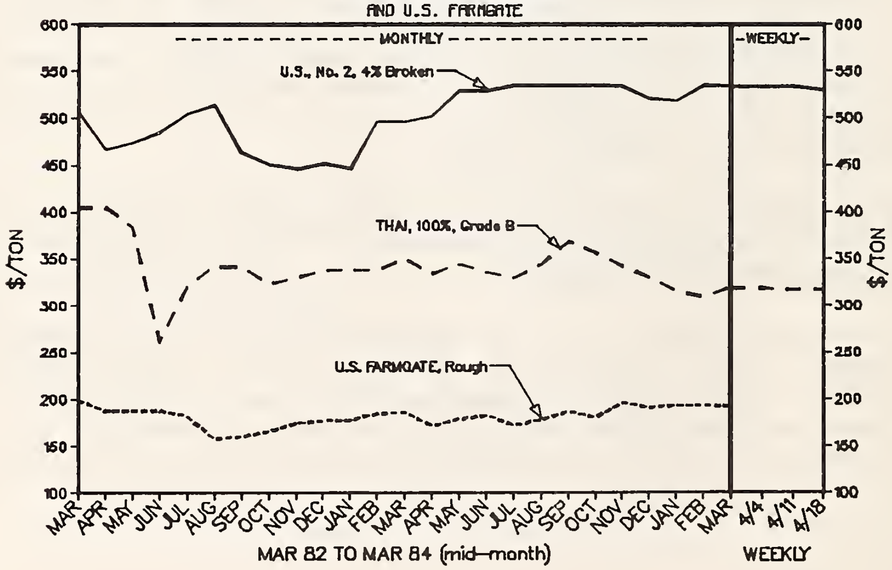
**Laos: A barter deal of teak and other hardwoods from Laos in exchange for approximately 100,000 tons of Thai rice is apparently under negotiation. Laos is reportedly facing a substantial rice shortage this year as the result of a drought-damaged crop and has sought assistance from various sources. Estimates of the shortage vary, but some reports place the deficit as high as 100,000 tons.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1980/82-1982/83, AND AUGUST 1 THROUGH APRIL 19 FOR 1983/84
(AUGUST/JULY--1,000 TONS)

Destination	Marketing Year	Long Grain Milled	Long Grain Brown 2/	Other 1/ Milled	Other 1/ Brown 2/	Total Exports
EC 10	1980/81	4	221	1	--	226
	1981/82	2	310	56	192	560
	1982/83	1	214	15	--	230
	1983/84	27	166	2	26	221
Other W. Europe	1980/81	22	51	1	*	73
	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	20	33	4	119	176
E. Europe & USSR	1980/81	7	--	25	--	32
	1981/82	*	--	*	--	*
	1982/83	*	--	*	--	*
	1983/84	--	--	--	--	--
Iran	1980/81	--	--	--	--	--
	1981/82	85	--	--	--	85
	1982/83	--	--	--	--	--
	1983/84	--	--	--	--	--
Iraq	1980/81	103	--	--	--	103
	1981/82	270	--	*	--	270
	1982/83	327	--	*	--	327
	1983/84	215	--	2	--	217
Saudi Arabia	1980/81	237	--	8	--	244
	1981/82	250	--	15	--	265
	1982/83	267	--	2	--	269
	1983/84	206	--	4	--	210
Other Middle East	1980/81	106	4	1	--	110
	1981/82	106	8	17	3	135
	1982/83	48	--	2	--	50
	1983/84	31	--	2	--	33
Republic of Korea	1980/81	--	--	--	1,161	1,161
	1981/82	--	--	*	339	339
	1982/83	--	--	*	213	213
	1983/84	--	--	*	112	112
Other Asia & Oceania	1980/81	133	--	10	*	142
	1981/82	4	--	38	--	43
	1982/83	2	--	129	--	132
	1983/84	4	--	136	--	140
Nigeria	1980/81	249	--	--	--	249
	1981/82	347	--	--	--	347
	1982/83	159	--	--	--	159
	1983/84	63	--	--	--	63
Other Africa	1980/81	176	106	45	4	330
	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	90	122	117	--	329
W. Hemisphere	1980/81	202	40	72	37	352
	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	137	32	107	17	293
Total 3/	1980/81	1,238	422	162	1,202	3,024
	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	810	353	373	323	1,859

* Less than 500 tons.
1/ Includes medium, short, and mixed.
2/ Data not converted to a milled equivalency. Includes rough rice.
3/ Discrepancies due to rounding and changes to unknown destinations.
SOURCE: U.S. Export Sales

RICE PRICES
U.S. AND THAI C&F ROTTERDAM
AND U.S. FARMGATE



MARKET OPPORTUNITIES

**Portugal: A tender is expected to be held in the first half of May for 40,000 to 80,000 tons of rice. Portugal still has nearly $14 million in GSM-102 credit guarantees available, so the United States could receive a large share of any new tender. Current forecasts for 1984 place Portugal's total imports at 70,000 tons, of which 40,000 tons are expected to come from the United States.

**Spain: A tender is expected to held by SENPA, Spain's National Farm Commodity Service, sometime in May. Spain typically imports only small amounts of rough rice for re-export as milled rice. However, drought-reduced domestic production in 1983 led to government authorization for imports of up to 130,000 tons of rice (rough basis), 85,000 tons for domestic consumption and 45,000 for re-export. Limited export prospects, however, will probably limit imports for re-export to only 15,000 tons and total imports to 100,000 tons in 1984.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Thai Board of Trade (BOT) prices during the past month were up $5 per ton for all qualities except brokens which were up $15. The gap between U.S. and Thai prices, is at about $150 per ton, about as wide as its been over the last several months. As of April 26, the posted price for 100% B was $265 per ton, although business was done in Algeria at $247, while the BOT price for parboiled 5% was also $265 per ton with the recent sale to Nigeria priced at only $233. Thai exporters are reportedly under pressure from Thai banks to sell, an idea which is supported by the current pace of exports and very low prices. Both Pakistan and Burma have most of their exportable supplies sold and uncommitted supplies for nearby shipment are thought to be limited. As a result, Pakistan's prices are up about $20 per ton over prices experienced in the past two months.

**Thailand: Rice exports continued at a record-setting pace during the past month. Cumulative exports through April 24 totaled 1.4 million tons, compared to 1.1 million tons shipped during the same period in 1983.

WEEKLY THAI RICE EXPORTS
(TONS)

Week Ending		Actual	4-Week Moving Avg.
March	17	113,585	117,096
	24	102,029	117,844
	31	100,848	112,707
April	7	85,500	100,490

Although Nigeria was the obvious highlight of Thai sales in the past month, the likely sale to Laos is also significant. Estimated total export commitments for 1984 now total 3.1 million tons, compared to just over 2.3 million tons as of this date one year ago. Thailand's 1984 export forecast has been raised to 3.85 million tons, reflecting the current heavy pace of exports and sales.

RECENT THAI RICE SALES

Destination	Quantity (1,000 MT) Current	Est. Cumulative 1/	Quality 2/	Price $MT 3/	Delivery	Date of Report
Algeria	10.0	10.0	100% B	$247	N/A	4/25
Belgium	2.1	19.2	B 100% B	N/A	N/A	4/5
Cameroon	8.0	8.0	Spec. Mix	N/A	N/A	4/26
Comoros	20.0	20.0	35%	N/A	N/A	4/12
Djibouti	1.7		P 10%	N/A	N/A	4/15
	1.7		P 10%	N/A	N/A	4/11
	1.0		P 10%	N/A	N/A	4/18
	1.0	9.7	P 15%	N/A	N/A	4/26
Dubai	1.0		P 100%	N/A	N/A	4/26
	1.0	26.8	100% B	N/A	N/A	4/26
Indonesia	5.0	122.1	GL 10% LG	N/A	N/A	4/5
Iran	15.0		100% B	N/A	N/A	4/12
	15.0	175.0	100% B	N/A	N/A	4/26
Italy	5.0		A-1 S	195	May	4/11
	7.5		A-1 S	N/A	N/A	4/26
	1.5	51.3	100% B	N/A	N/A	4/26
Ivory Coast	13.0	105.2	A-1 Spec	N/A	N/A	4/19
Madagascar	10.0		A-1 S	N/A	N/A	4/19
	10.0		A-1 S	N/A	N/A	4/12
	10.0		A-1 S	N/A	N/A	4/18
	11.0	74.1	A-1 S	N/A	N/A	4/26
Malaysia	7.5	299.1	100% B	N/A	N/A	4/5
Nigeria	11.0	11.0 4/	P 5%	N/A	N/A	4/5
	40.0		P 5%	233	N/A	4/9
	20.0		A-1 Spec	194	N/A	4/9
	340.0		N/A	N/A	N/A	4/6
	4.0	532.0 4/	P 5%	N/A	N/A	4/12
Oman	2.5	3.5	P 100%	N/A	N/A	4/26
Romania	20.0	20.0	15%	N/A	May/Aug	4/5
Senegal	30.1	343.8	A-1 Spec	N/A	N/A	4/26
Somalia	3.0	29.5	P 10%	N/A	N/A	4/26
Syria	12.0	36.0	100% C	N/A	N/A	4/26
Yemen, South	5.0	17.0	P 100%	N/A	N/A	4/26

1/ For all qualities for 1984 delivery
2/ P=Parboiled, B/5%,=Brown rice 5% brokens, etc., Gl=Glutinous, S=Super, Spec=Special, F=Fragrant
3/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
4/ Includes Nigeria/West Africa.

N/A = not available

**Pakistan: With the large sales to Nigeria and Iran, Pakistan now has estimated export commitments for 1984 of nearly 975,000 tons, against projected total exports of 1.3 million tons. Due to heavy basmati shipments, exports through March totaled 354,000 tons (124,000 tons of basmati), compared to exports for the same period in 1983 of 287,000 tons (55,000 tons of basmati). Supplies are now thought to be tight (especially for medium qualities--15/20% brokens) and Pakistan may not tender again until June or July.

**Burma: Although not as active as during March, Burma did conduct a significant amount of business over the past month. The large sale to India and smaller sales to the private trade raised total export commitments to an estimated 625,000 tons, up sharply from the 515,000 tons sold by this time last year. With projected exports of 800,000 tons, Burma has already committed most of its exportable supplies and may try for better prices on any further business.

**China: A Chinese delegation was scheduled to travel to Thailand in late April to discuss the purchase of an additional 100,000 tons of Thai rice. China regularly buys cheaper broken rice and exports quantities of its own more expensive high-quality rice. Chinese imports are currently projected at 100,000 tons, while 1984 exports are forecast at 600,000.

**Republic of Korea: Continuing high levels of government held rice stocks, have forced the Korean government to take steps to try to boost domestic consumption. The government recently began again to extend interest-free loans to poor families for rice purchases, and rice is now being provided to government employees as partial payment of wages. Enforcement of the 8:2 rice/barley mixing requirement for public restaurants has also been relaxed. Given the fact that much of the government held rice is old crop and of inferior quality, Korea is expected to import some better quality rice later in 1984 to blend with the low quality rice. If no imports are made during the current year, government stocks could decline below an optimal 1.3 million tons, which could encourage the resumption of consumption restrictions.

**Argentina: The National Grain Board recently announced the sale of 60,000 tons of high quality rice to Iran. This sale is the first sale of Argentine rice to Iran and the largest individual sale of rice to any buyer this year.

**Portugal: In a move designed to encourage domestic production and reduce Portugal's reliance on imports, the government has announced guaranteed price increases for several crops, including rice. Minimum prices for rice are to increase by 41-43 percent, depending on type. New prices were also announced for EPAC's (government cereal monopoly) sales of imported brown rice to millers, which will widen the price differential between imported long grain rice and other varieties, making imported long grain rice less competitive.

U.S. EXPORT EXPANSION ACTIVITIES

**GSM-102: As of April 23, the Commodity Credit Corporation (CCC) had available credit guarantees totaling $137.1 million. The outstanding credit guarantees were: Brazil ($15.0 million), Iraq ($62.1 million), Jamaica ($1.3 million), Mexico ($35.0 million), Peru ($10.0 million) and Portugal ($13.7 million).

**P.L. 480: Somalia recently purchased 18,800 tons of rice under Title I. No new agreements were signed during the past month. The following table outlines the current status of FY 1984 PL-480 Title I/III programs.

STATUS OF P.L. 480 TITLE I/III RICE PROGRAMS FOR FY 1984

Country	Allocation $Million	Agreement Signed	P.A. Issued	Tender Results Date	TMT Purchased	Price $/MT FAS	Quality 1/
Completed							
El Salvador	1.2	X	X	12/22	4.4	271-272	MG
Liberia	15.0	X	X	1/09	42.1	336-344	LG, P
Bangladesh	15.0	X	X	1/11	55.7	269	MG
Madagascar	7.0	X	X	3/22	24.4	287	MG
Sierra Leone	1.0	X	X	3/26	3.4	294	MG
Indonesia	15.0	X	X	3/27	53.8	279	MG
Somalia	5.5	X	X	4/25	18.8	290-295	MG
Subtotal	59.7				202.6		
Pending							
Congo	2.0						
Guinea	2.0						
Jamaica	5.0						
Kenya	4.0						
Mauritius	2.2						
Peru	10.0						
Senegal	7.0						
Sudan	2.0						
Yemen	2.0						
Zambia	1.8						
Subtotal	41.5						
Total	92.2						

1/ No. 5/20 percent unless otherwise indicated, P=Parboiled, MG=Medium Grain, and LG=Long Grain.

PULSES

**Mexico: Dry bean exports for July-June 1983/84 are projected to reach 100,000 tons--double the previous estimate and 150 percent above last year's level. The increase is a result of a recent 30,000 ton sale to Brazil and an earlier barter arrangement with Costa Rica which specified the swap of 8,500 tons of Mexican beans for 15,000 tons of Costa Rican long grain rice. At the new projected export level, Mexican 1983/84 sales will be the highest since 1979/80's 110,000 tons.

**Japan: Quotas for April-September 1984 pulse imports were recently announced. As a result of the short 1983 domestic bean crop, higher quotas have been specified for several classes of pulses. The pea quota is 50 percent below the same period for 1983.

JAPANESE PULSE IMPORT QUOTAS
(MILLION DOLLARS)

	1982		1983		1984
Class	1st half 1/	Total	1st half 1/	Total	1st half 1/
Azuki	25.4	28.1	8.5	18.2	18.6
Kidney	22.2	25.3	7.4	18.9	13.8
Peas	3.6	6.0	3.9	6.6	2.0
Broad Beans	7.6	7.8	3.3	5.1	2.4
TOTAL	58.8	67.2	23.1	48.8	36.8

1/ April-September.

JAPANESE PULSE IMPORTS
(JANUARY-DECEMBER--1,000 TONS)

	1982		1983	
	Total	U.S.	Total	U.S.
Beans	95.0	29.0	95.0	21.0
Peas	23.0	4.0	27.0	7.0
TOTAL	118.0	33.0	122.0	28.0

FORAGE, HAY, MIXED FEEDS, AND GRAIN BY-PRODUCTS

**Canada: A change in the Canadian Western Grain Transportation Act is likely to increase competition for the United States in the Japanese forage and pulse market. The legislation changed the statutory rail freight rate structure for western grain, known as the Crow rates. Freight rates for grain moving across the Prairies have been only about 1/5 of that for comparable distances in the United States. The new legislation caps the government annual contribution to the subsidized rates and shares the burden of transportation cost increases between the producers and railways. The rates are still heavily subsidized, however. Modification in the legislation added commodities that could be transported under the Crow rate structure, including alfalfa pellets. The subsidized rail rates are expected to give Canadian alfalfa pellets a price advantage in the Japanese market, in the past primarily supplied by the United States. In addition, Canadian exports to the United States could also increase.

The passage of the new legislation changed the definition of the United States from a "domestic" to an "export" market. The previous law stipulated that the Crow rates were only applied to commodities moving into export markets not for commodities in the domestic market. Commodities moving into the United States as their final destination were excluded from subsidization, only commodities for reexport through U.S. ports could have the benefit of the Crow rates. Now it is legal for Canadian exporters of all commodities moving under the "new Crow" to take advantage of the government subsidized freight rates 4 to 5 times lower than current commercial rates. In combination with U.S. tranport modes, these products can move into the United States through Vancouver at a considerable price advantage. This change in policy may significantly redirect some Canadian grain and oilseed products exports in the future.

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250, Tel. (202) 447-2009.

U.S. WHEAT PROGRAMS

	1982 Program		1983 Program		1984 Program	
	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)
Trigger Release Price	$208	$4.65	--	-- 2/	--	--
Target Price	$186	$4.05	$195	$4.30	$198	$4.38
Loan (Reserve)	$184	$4.00	$171	$3.65	--	--
National Loan	$167	$3.55	$171	$3.65	$158	$3.30
Season Average Producer Price	$166	$3.53	$169	$3.60 3/	--	--
Current Farm Price	--	--	$161	$3.37 4/	--	--
Paid Diversion	--	--	$136	$2.70	--	--

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ Mid-point of range.
4/ ASCS 5-day moving average as of April 25, 1983.

U.S. CORN PROGRAMS

	1982 Program		1983 Program		1984 Program	
	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)
Season Average Producer Price	$136	$2.65	$173	$3.60 2/	--	--
Trigger Release Price	$156	$3.15	--	-- 3/	--	--
Current Farm Price	--	--	$157	$3.20 4/	--	--
Target Price	$138	$2.70	$144	$2.86	$151	$3.03
National Loan	$132	$2.55	$136	$2.65	$132	$2.55
Loan (Reserve)	$146	$2.90	$136	$2.65	--	--
Paid Diversion	--	--	$91	$1.50	--	--

1/ Estimated equivalent, adjust from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Mid-point of range.
3/ Not yet announced.
4/ ASCS 5-day moving average as of April 25, 1983.

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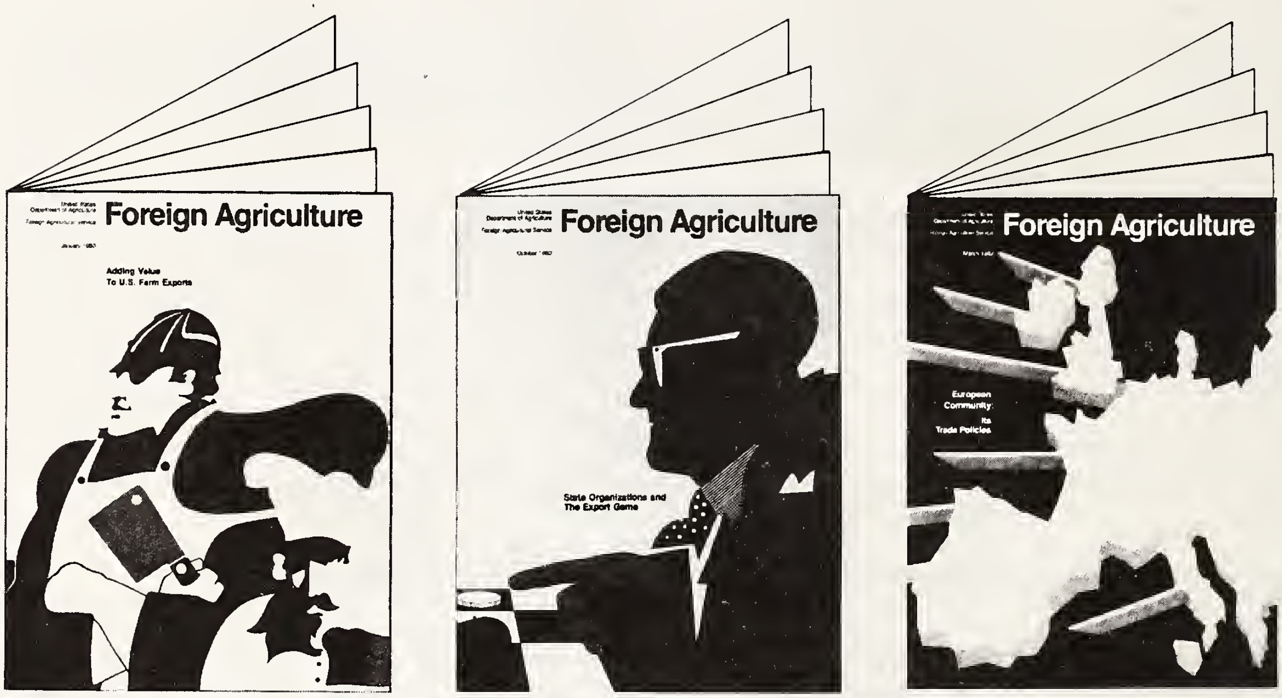

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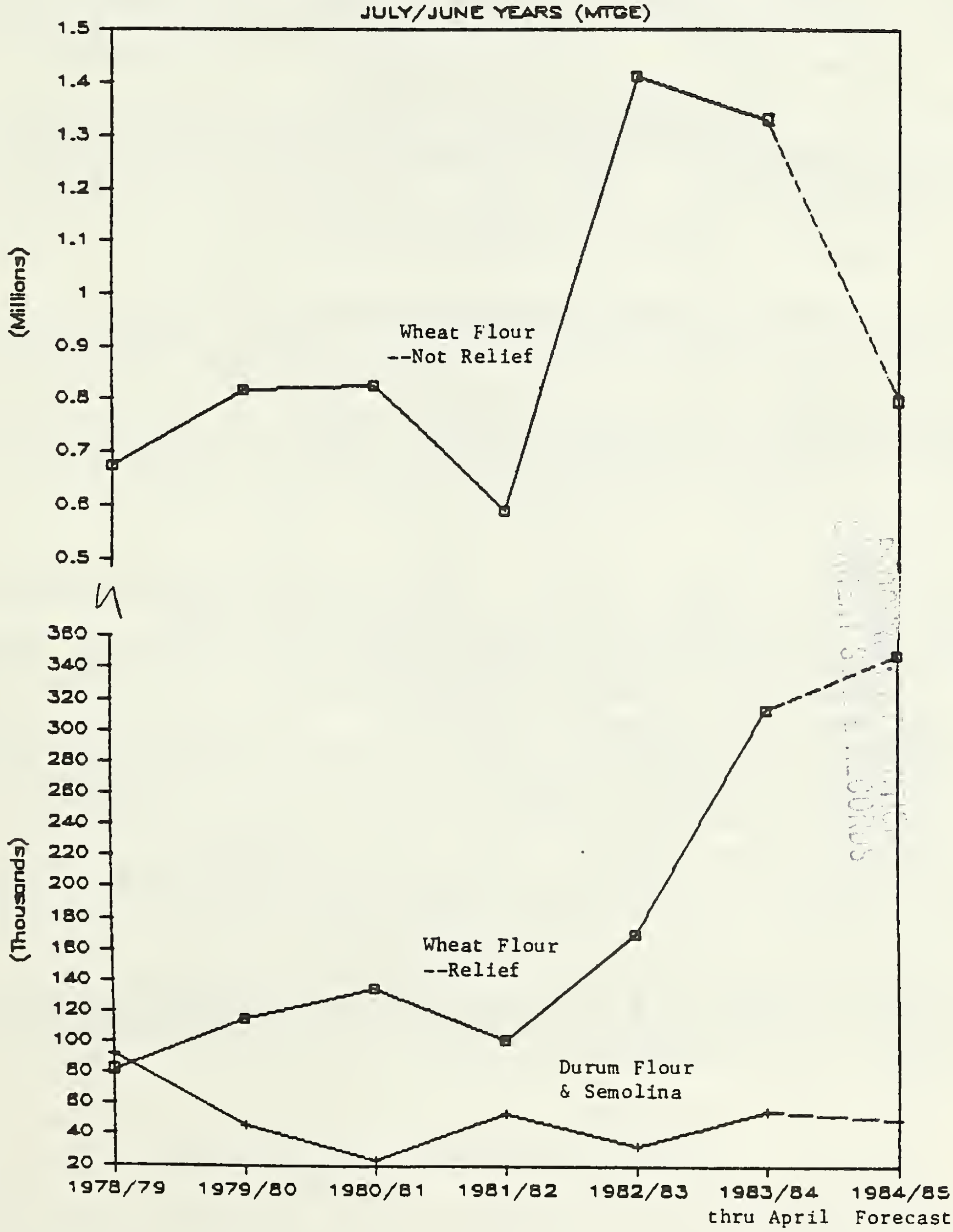
EMG-6-84*
JUNE 1984

EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES

U.S. EXPORTS OF FLOUR
JULY/JUNE YEARS (MTGE)



Special report and supporting data on page 17.

EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES
June 29, 1984

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HIGHLIGHTS

Prospects for U.S. wheat and coarse grain exports remain relatively unchanged over the month. Production shortfalls in a number of areas have become more apparent, raising wheat and coarse grain import demand prospects, with the United States in a good position to capture a portion of this increase. On the other hand, a couple of significant importers appear headed into a record grain production and procurement year, which will likely limit import needs and offset increased demand elsewhere. In addition, competition is expected to continue stiff in all markets as large crop outturns are still expected in major exporting countries. U.S. rice export prospects may have improved somewhat over the month as exportable supplies in other countries appear to be tightening and world prices correspondingly increase.

Major developments affecting U.S. exports over the past month include:

--Syria purchased U.S. wheat for the first time since 1982. With record imports forecast, Syria could continue to purchase U.S. wheat. In addition, recent liberalization of the importation of feed ingredients may facilitate increased imports of U.S. corn as well.

--Continuing drought in Zimbabwe is now expected to significantly reduce wheat prospects and result in record wheat import requirements, in addition to previously expected record corn import needs. Indications are that Zimbabwe's first wheat tender this season is likely to be filled with U.S. supplies.

--Kenya has appealed to the world for 1.5 million tons of corn and wheat for the coming season. Drought in Kenya is expected to turn that country from an exporter to an importer of corn.

--Morocco is expected to import a record quantity of wheat this season due to a crop shortfall. The United States may have an opportunity to expand exports in that market, but faces continuing stiff competition from France.

--Venezuela has surprisingly continued buying U.S. sorghum over the month, due to potential crop problems.

--Spanish coarse grain imports are expected to plummet given record production prospects and U.S. exports are bound to suffer.

--India is reportedly still active in world rice markets but Indian wheat procurements, stocks and upcoming production are expected to reach record levels, dampening U.S. wheat export prospects to that country.

--The EC has opened its wheat export tender system early for the second season in a row. Large wheat stocks and prospects for a third consecutive bumper crop are intensifying pressures to export.

--Brazil and Argentina have signed a memorandum of understanding to encourage agricultural trade between the two countries, which may reduce the competitiveness of U.S. grain in the Brazilian market in the longer-term.

--Korea has agreed in principle to supply Japan with 135,000 tons of rice, the first rice imports of this magnitude since 1968.

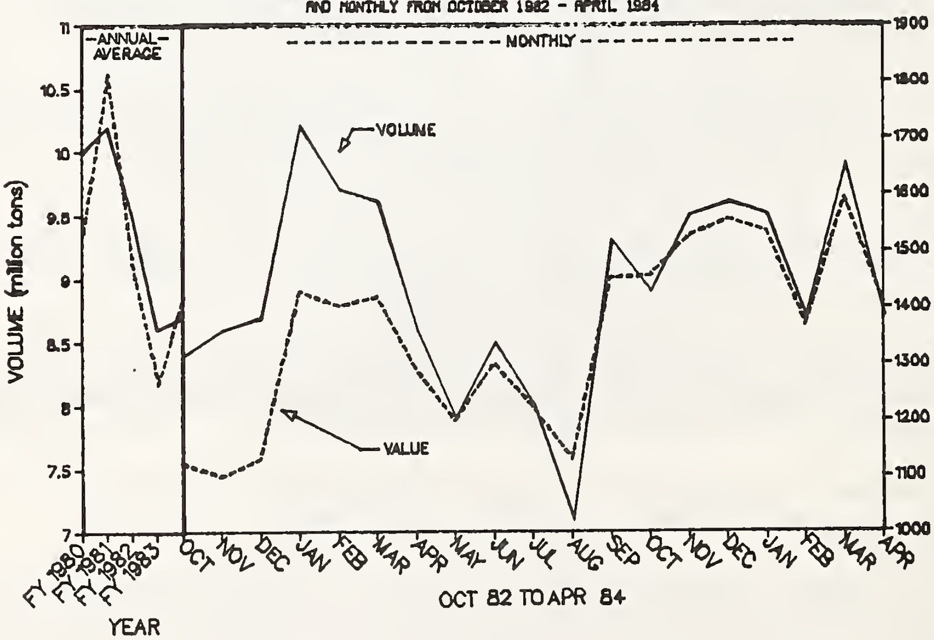
--Pakistan and Burma have apparently sold most of their exportable rice supplies, and Thai supplies are also apparently tightening. World rice prices are beginning to increase, making U.S. rice somewhat more competitive.

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1983 AND COMPARISON WITH PRECEDING YEAR

	APRIL		CUMULATIVE OCT THRU APR		ACTUAL EXPORTS	PROJECTED EXPORTS
	FY 83	FY 84	FY 83	FY 84	FY 83	FY 84
WHEAT (grain only)						
Quantity (1000 tons)	3,060	2,644	22,179	21,552	36,699	37,700
Value Per Ton (dollars)	165	153	162	160	161	162
Value (in million dollars)	505	405	3,586	3,448	5,910	6,107
CORN (grain only)						
Quantity (1000 tons)	3,991	4,427	29,774	30,644	47,105	47,830
Value Per Ton (dollars)	126	152	111	149	121	145
Value (in million dollars)	501	673	3,302	4,576	5,717	6,935
SORGHUM (grain only)						
Quantity (1000 tons)	133	368	3,411	3,906	5,403	5,715
Value Per Ton (dollars)	128	139	115	137	122	136
Value (in million dollars)	17	51	392	536	660	777
BARLEY, OATS, AND RYE (grain only)						
Quantity (1000 tons)	—	123	403	1,369	973	2,260
Value Per Ton (dollars)	—	154	112	137	121	139
Value (in million dollars)	—	19	45	188	118	314
TOTAL COARSE GRAINS (grain only)						
Quantity (1000 tons)	4,124	4,918	33,558	35,919	53,481	55,805
Value Per Ton (dollars)	126	151	111	148	121	144
Value (in million dollars)	518	743	3,739	5,300	6,496	8,026
RICE (grain only)						
Quantity (1000 tons)	199	205	1,100	1,207	2,209	2,100
Value Per Ton	357	420	405	424	396	430
Value (in million dollars)	71	86	446	512	874	903
PULSES						
Quantity (1000 tons)	32	32	309	256	457	425
Value Per Ton (dollars)	344	437	414	437	416	440
Value (in million dollars)	11	14	128	112	190	187
FLOUR AND OTHER GRAIN PRODUCTS						
Quantity (1000 tons-gr. equiv)	405	277	1,594	1,579	3,499	2,600
Value Per Ton (dollars)	168	213	206	211	165	211
Value (in million dollars)	68	59	329	333	579	550
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS						
Quantity (1000 tons)	742	597	4,033	4,245	6,991	7,000
Value Per Ton (dollars)	159	167	164	173	164	178
Value (in million dollars)	118	100	661	734	1,145	1,250
TOTAL VOLUME (in thousand tons)	8,562	8,673	62,773	64,758	103,337	104,186
TOTAL VALUE (in million dollars)	1,291	1,407	8,889	10,439	15,194	17,023

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM OCTOBER 1982 - APRIL 1984



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. As of June 12, the forecast for June-May 1984/85 wheat exports, excluding 2.0 million tons of flour and products, remains at 34.7 million tons.

Shipments and Sales. Shipments and sales of U.S. wheat for the 4-week period ending June 21 were up from the preceding 4 weeks and the same period a year ago. Importer buying of new crop pushed sales well above the year ago level.

IMPORTER BUYING ACTIVITY

Buying activity picked up during June, with Morocco, Japan and Korea as the major wheat buyers. Korea purchased additional quantities of feed wheat from Australia and New Zealand. Sales of U.S. wheat to South American GSM-102 markets were also higher during the month.

U.S. MARKET OPPORTUNITIES

**Zimbabwe: Zimbabwe is likely to import a record quantity of wheat this season. Three successive droughts have created a shortage of irrigation water, resulting in a reduced 1983 crop and limiting deliveries to the Grain Marketing Board to just over half of domestic requirements. Zimbabwe has imported about 70,000 tons of wheat in 1983/84, the bulk of which was donated. Due to continued drought, the 1984 crop is expected to fall to less than half the 1983 outturn and carry-over stocks are inadequate to meet the country's needs. Zimbabwe will need to import about 130,000 tons of wheat in 1984/85, if the existing wheat consumption level is to be maintained. Donations to date are only at about 22,000 tons. On June 28, the Grain Marketing Board announced a tender for 24,000 tons of No. 2 or better (hard red winter) for September delivery. Also, the Board hopes to purchase an additional 75,000 tons of U.S. wheat under the $90 million Whitten amendment program for African relief.

Zimbabwe is likely to need to import wheat into the future. Since 1979/80, local demand for wheat has expanded significantly. In May 1982, the widening gap between production and demand necessitated the introduction of a system of monthly allocations to millers. Zimbabwe's level of self-sufficiency in wheat has declined since 1978/79. For Zimbabwe to achieve self-sufficiency in the longer term requires the adoption of policies aimed at broadening the production base of this capital intensive crop. An estimated additional 20,000 hectares must be developed and brought under irrigation if production is to reach estimated future requirements of about 300,000 tons annually. The provision of low interest loans for the development of irrigation is one policy measure that is reportedly under consideration to help stimulate future wheat production.

RECENT WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN MAY 25, 1984 AND JUNE 29, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
6/6	Brazil	U.S.	99,000	HRW 11%	150.56 @ 152.27	Aug-Sep
6/13	Brazil	U.S.	33,000	HRW 11%	151.42	Sep
6/27	Brazil	U.S.	33,000	Hard Winter 11%	151.04	Sep
6/14	Chile	U.S.	14,500	SRW	134.66	Jul
6/14	Chile	U.S.	17,000	HRW 11%	149.45	Jul
6/4	Ecuador	U.S.	26,000	HRW 12%	171.86 C&F	Jul
6/4	Egypt	U.S.	160,000	2 White	144.98 @ 149.14	Jul
5/25	Israel	U.S.	30,000	HRW 12%	161.50	Dec
6/14	Jamaica	U.S.	33,175	2 SRW	139.19 @ 135.55	Jul-Sep
6/14	Jamaica	U.S.	19,500	2 HRS 14%	175.65 @ 176.75	Jul-Aug
5/30	Japan	U.S.	50,700	White, HRW	?	Jul
5/30	Japan	Canada	32,700	Spring Wheat	?	Jul
5/30	Japan	Australia	16,000	Pr. Hard	?	Jul
6/6	Japan	U.S.	53,394	White, HRW, HRS	?	Aug
6/6	Japan	Canada	34,000	Spring Wheat	?	Aug
6/6	Japan	Australia	15,500	Pr. Hard	?	Aug
6/13	Japan	Canada	14,700	Spring Wheat	?	Aug
6/13	Japan	U.S.	112,435	White, HRW, hRS	?	Aug
6/20	Japan	Australia	17,000	Std. White	?	Aug
6/20	Japan	Canada	4,300	W. Amber Durum	?	Aug
6/20	Japan	Canada	35,047	W. Red Spring	?	Aug
6/20	Japan	U.S.	69,447	White, HRW, hRS	?	Aug
6/27	Japan	U.S.	35,047	HRS, HRW	?	Aug
6/27	Japan	Canada	38,857	Spring Wheat	?	Aug
6/27	Japan	Australia	32,900	Std. White	?	Aug
6/8	Jordan	U.S.	50,000	HRW	168.00 C&F	Jun-Jul
6/27	Jordan	Australia	25,000	Std. White	168.90 C&F	Jul
5/25	Korea	New Zealand	25,000	Feed Wheat	142.25 C&F	Jun
5/30	Korea	U.S.	21,700	White, HRW, HRS	Various	Jun-Jul
6/1	Korea	U.S.	54,500	White, HRW, HRS	Various	Jun-Jul
6/5	Korea	Australia	50,000	Feed Wheat	143.95 C&F	Jul
6/12	Korea	U.S.	22,400	White, HRW	Various	Jul
6/14	Korea	U.S.	24,500	White, HRW	Various	Jul
6/14	Korea	U.S.	20,000	White, HRW, HRS	Various	Jul-Aug
6/14	Korea	U.S.	20,000	White, HRW, HRS	Various	Jul-Aug
6/22	Korea	U.S.	48,000	White, HRW, HRS	Various	Jul-Aug
6/25	Lebanon	E.C.	25,000	EC Wheat	149.95 C&F	Jul-Aug
6/6	Morocco	U.S.	240,000	SRW	145.25 @ 149.80	Jun-Jul
6/15	Morocco	U.S.	200,000	SRW	143.73 @ 146.35	Jul-Aug
6/1	Peru	U.S.	22,000	HRW 11%	150.89	Jun
6/14	Peru	U.S.	52,700	HRW 11%	149.65 @ 152.00	Jun-Jul
6/18	Peru	U.S.	45,000	HRW 11%	148.24 @ 148.68	Jul
6/1	Philippines	U.S.	50,000	HRS 14%	Various	Jul
6/15	Philippines	U.S.	25,000	White	155.90 C&F	Jul
6/26	Philippines	U.S.	25,000	DNS, 14%	199.44 C&F	Aug
5/25	Portugal	U.S.	30,000	HRW 11%	155.00	Jul
6/6	Portugal	U.S.	30,000	HRW 11%	151.66	Aug
6/6	Portugal	U.S.	30,000	SRW	139.62	Aug
6/12	Sri Lanka	U.S.	50,000	SRW	151.65 C&F	Jun-Jul
6/4	Syria	E.C.	50,000	?	?	Jul
6/4	Syria	Australia	50,000	?	?	Jul
6/12	Taiwan	U.S.	38,732	HRW 12%	184.00 C&F	Jul
6/20	Tunisia	U.S.	50,000	SRW	165.00 C&F	Jul
6/12	Yemen	Australia	80,000	Std. White	?	Aug
6/25	Yemen	Australia	40,000	Std. White	?	Jul-Oct
6/7	Zaire	U.S.	10,000	HRW 12%	151.73	Jun-Jul

1/ HRW-Hard Red Winter, HRS-Hard Red Spring, SRW-Soft Red Winter, HAD-Hard Amber Durum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

2040G

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY—MILLION TONS)

Monthly Shipments

4 Weeks Ending	1982/83	1983/84
March 22	3.5	2.5
April 19	2.8	2.9
May 17	2.5	2.5
Total for MY..........	38.2	35.5
	1983/84	1984/85
June 21	2.4	3.3
Cumulative for MY.......	2.0	2.0

Monthly Sales 2/

4 Weeks Ending	1982/83	1983/84
March 22	2.0	1.9
April 19	2.7	2.5
May 17	2.3	3.0
Total for MY..........	40.2	41.7
	1983/84	1984/85
June 21	2.8	3.7
Cumulative for MY	2.0	3.6

Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending June 14................	0.6	23.6
Week Ending June 21................	0.8	30.2
Official Estimate for Current MY (Grain only)......................	36.5	1340
Implied Weekly Average............	0.7	25.8
Latest Six Weeks Weekly Average....................	0.7	24.4
Marketing Year-To-Date Weekly Average....................	0.7	24.6
Weekly Avg. Extrapolated Annually..	34.8	1280
Balance of Year to Achieve Estimate Implied Weekly Average............	0.7	24.5

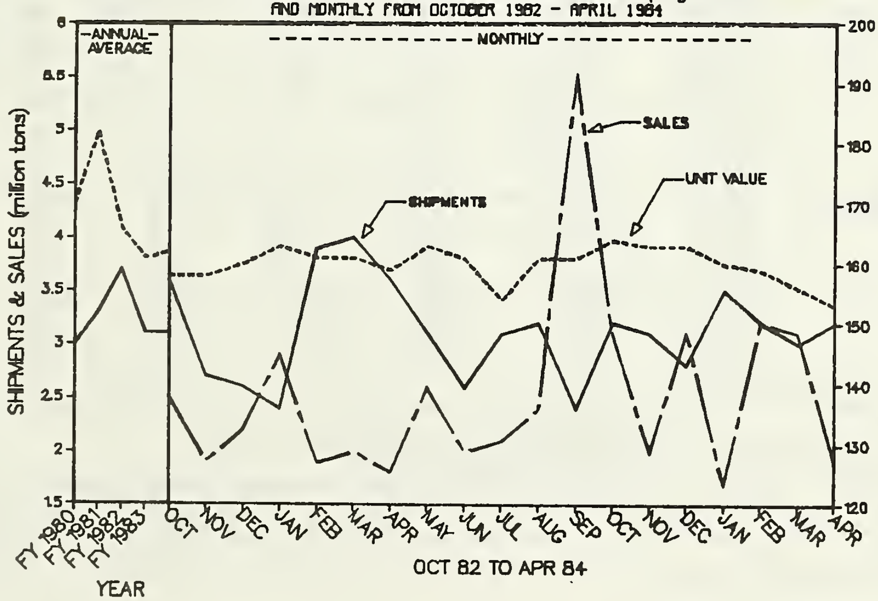
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(JULY/JUNE—MILLION TONS)

	Canada		Australia		Argentina		France 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
March 22	1.4	.8	.7	1.5	1.6	1.4	1.0	.7	4.7	4.4
April 19	1.7	1.1	.7	1.4	.8	.8	.9	.8	4.1	4.1
May 17	2.3	1.2	.2	1.1	.5	.5	.8	N/A	3.8	N/A
June 21	2.5	2.4	.1	N/A	.6	.4	.7	N/A	3.9	N/A
Cumul. in MY	20.8	20.1	8.1	10.3	7.4	9.7	10.0	8.6	46.3	48.7
Total for Season 3/	21.2	20.5	8.1	12.0	7.4	9.7	10.0	10.5	46.7	52.7

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1983/84.
* Denotes less than 50,000 tons.

U.S. WHEAT SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM OCTOBER 1982 - APRIL 1984



U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1981/82-1982/83; COMMITMENTS TO DATE FOR 1983/84 WITH COMPARISON TO 1982/83
(JUNE/MAY--1,000 TONS)

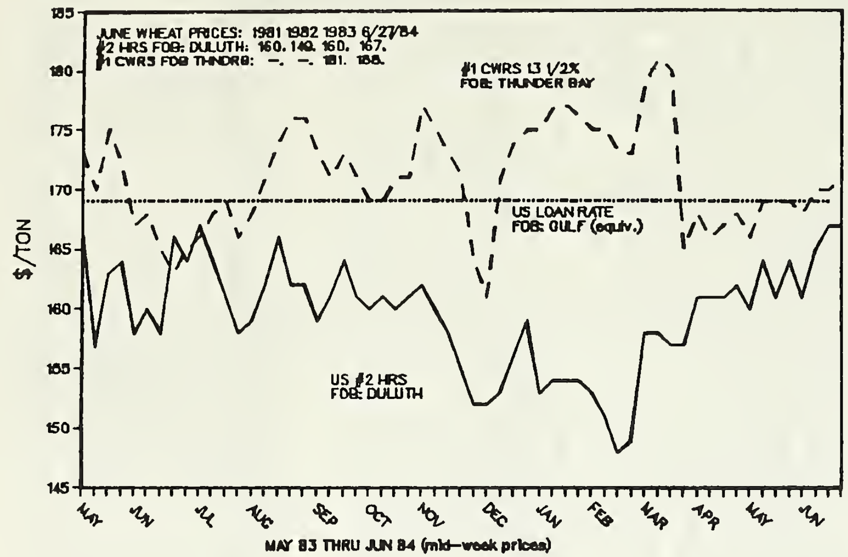
Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1982/83	3	1,162	35	53	495	1,748
	1983/84	3	1,218	2	—	263	1,491
	1983/84*	—	96	—	—	30	127
	1984/85**	—	73	2	—	22	97
Other W. Europe	1982/83	343	95	289	4	7	738
	1983/84	795	32	411	16	49	1,302
	1983/84*	71	12	97	—	18	198
	1984/85**	242	208	59	—	7	516
Eastern Europe	1982/83	—	—	122	—	74	196
	1983/84	—	—	283	—	72	355
	1983/84*	23	—	211	—	22	256
	1984/85**	—	—	—	—	—	—
USSR	1982/83	3,374	—	—	—	—	3,374
	1983/84	4,141	—	—	—	—	4,141
	1983/84*	—	—	—	—	—	—
	1984/85**	220	—	—	—	—	220
China	1982/83	386	—	4,938	—	—	5,324
	1983/84	1,368	—	1,549	—	—	2,917
	1983/84*	32	—	42	—	—	73
	1984/85**	196	—	1,642	—	—	1,838
Japan	1982/83	1,266	987	20	1,049	—	3,322
	1983/84	1,287	1,010	—	1,126	12	3,435
	1983/84*	210	221	—	199	—	630
	1984/85**	236	—	—	231	—	467
India	1982/83	2,480	—	—	1,405	—	3,885
	1983/84	198	—	—	968	—	1,166
	1983/84*	195	—	—	—	—	195
	1984/85**	—	—	—	—	—	—
Taiwan	1982/83	309	195	—	170	—	674
	1983/84	245	185	—	130	—	561
	1983/84*	104	73	—	66	—	243
	1984/85**	119	43	—	47	—	209
Rep. of Korea	1982/83	605	162	—	990	—	1,757
	1983/84	649	221	2	1,179	—	2,051
	1983/84*	86	26	—	140	—	252
	1984/85**	98	32	—	177	—	307
Other Asia, Middle East, and Oceania	1982/83	2,554	1,858	833	568	1	5,814
	1983/84	2,288	1,232	258	1,222	21	5,021
	1983/84*	964	306	168	226	—	1,664
	1984/85**	818	238	31	180	—	1,267
Egypt	1982/83	—	—	397	1,331	—	1,728
	1983/84	—	—	539	807	—	1,346
	1983/84*	—	—	127	37	—	164
	1983/84**	—	—	—	242	—	242
Nigeria	1982/83	918	242	81	—	—	1,241
	1983/84	1,278	265	88	—	—	1,631
	1983/84*	113	27	10	—	—	150
	1984/85**	88	19	10	—	—	117
Other Africa	1982/83	611	95	1,086	—	666	2,458
	1983/84	471	7	1,876	45	844	3,242
	1983/84*	142	3	282	—	256	683
	1984/85**	10	—	912	—	121	1,052
Brazil	1982/83	2,113	—	—	—	—	2,113
	1983/84	2,181	—	66	—	—	2,247
	1983/84*	973	—	66	—	—	1,039
	1984/85**	827	—	—	—	—	827
Other W. Hemis.	1982/83	2,172	1,464	559	8	271	4,474
	1983/84	2,223	1,477	514	48	296	4,558
	1983/84*	743	474	157	2	126	1,501
	1984/85**	493	478	187	27	112	1,297
Total 1/	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1983/84	17,128	5,647	5,593	5,541	1,556	35,464
	1983/84*	3,655	1,238	1,158	671	452	7,173
	1984/85**	3,346	1,092	2,842	903	261	8,444
MY Projection 2/							36,700

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1984/85, including flour and products.
* Sales plus accumulated exports as of June 16, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of June 21, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

FAS, Grain and Feed Division

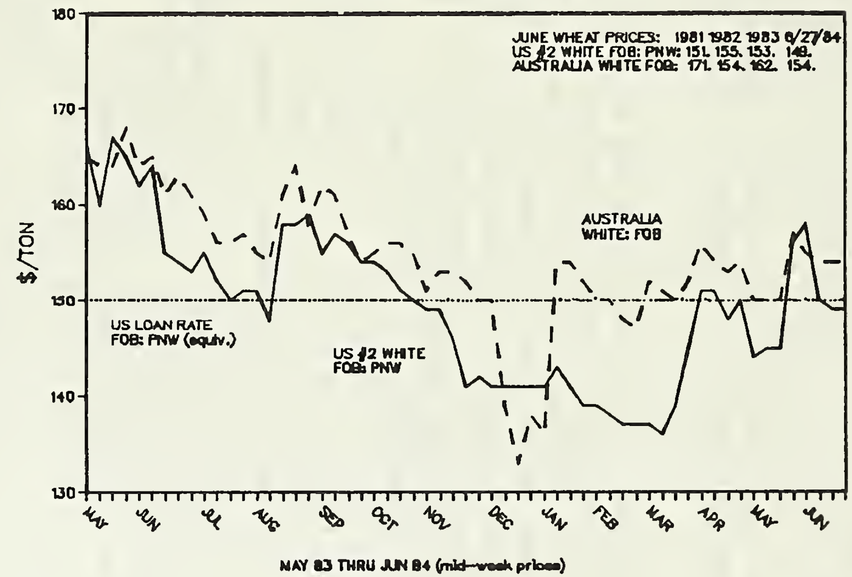
HARD RED SPRING WHEAT EXPORT PRICES

U.S. AND CANADIAN



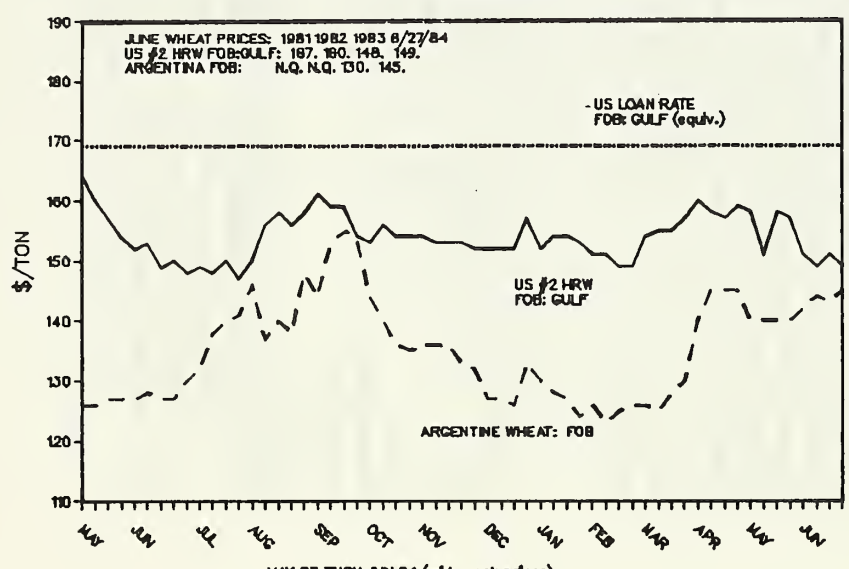
WHITE WHEAT EXPORT PRICES

U.S. AND AUSTRALIAN



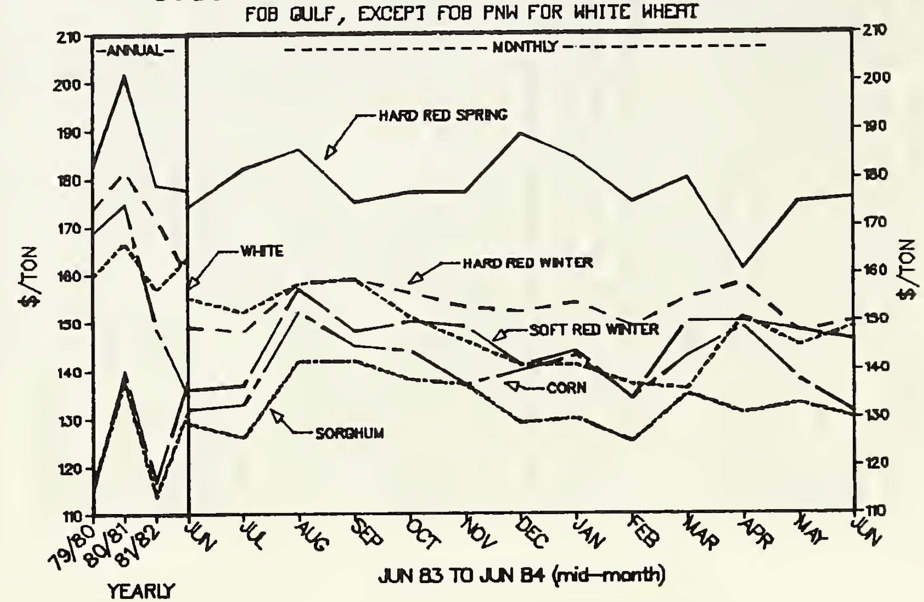
HARD RED WINTER WHEAT EXPORT PRICES

U.S. AND ARGENTINE



U.S. GRAIN COMMODITY EXPORT PRICES

FOB GULF, EXCEPT FOB PNW FOR WHITE WHEAT



**<u>Morocco</u>: Record import levels of wheat are indicated in 1984/85 due to low production, increasing consumption and a low level of stocks. The United States has provided 50 to 70 percent of Morocco's wheat import needs the past few years, mainly in competition with the European Community (EC). Wheat imports could reach 2.5 million tons in July-June 1984/85. Morocco imported about 2.2 million tons in 1983/84 with about 1.6 million from the United States. The availability of credit will likely be an important factor in making sales to Morocco.

**<u>Brazil</u>: The International Monetary Fund (IMF), in attempting to help Brazil get its economic house in order, set forth conditions whereby all subsidies on wheat consumption were to be withdrawn by the end of June 1984. The IMF has now agreed to extend the deadline to Dec. 31, 1984, since a more rapid withdrawal would further fuel Brazil's high rate of inflation, according to the Ministry of Planning. The continuation of the current subsidies is expected to stimulate demand for wheat and wheat products and could result in the need for imports above the current estimate of 4.2 million tons.

**<u>Syria</u>: Reports indicate that Syria is filling more of its total wheat import requirement with white wheat, apparently in an effort to reduce the cost of producing bread. This shift may result in increased U.S. wheat exports to Syria. Recently, Syria purchased 25,000 tons of U.S. white wheat, marking the first sale of U.S. white wheat ever and the first U.S. wheat sale to Syria since December 1982. Through June 7, Syria has contracted for 75,000 tons of French soft wheat at a reported $157 to $159 per ton C&F, and for 160,000 tons of Canadian soft white wheat at $161 to $162 C&F. The recent U.S. sale was reportedly competitively priced and further purchases are possible.

Poor crop prospects are expected to raise overall Syrian wheat import needs dramatically; 1984/85 imports are forecast to reach 1.4 million tons, almost double the estimated high 1983/84 level. Reports also indicate that Syria has already contracted for 300,000 tons of Canadian eastern white wheat, to be delivered as soon as new crop supplies become available in July. Canada broke into the Syrian wheat market with sizable "special-binned" wheat sales in 1982/83, and has successfully maintained its exports since then. Argentina and Australia have made their first wheat sales to Syria in many years in 1983/84.

SYRIAN WHEAT IMPORTS
(JULY/JUNE--1,000 TONS)

Origin	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84 1/
U.S.	9	48	28	--	51	2
EC	335	455	276	167	325	200
Canada	--	20	--	--	242	215
Argentina	--	--	--	--	--	79
Australia	--	--	--	--	--	25
Other	23	6	85	424	2	N/A
TOTAL	367	529	389	591	620	800 2/

1/ U.S., EC, Canadian shipments through April, Argentine and Australian through May.
2/ Forecast total imports.
N/A Not available.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**EC: On June 21, at its first soft wheat export tender of 1.5 million tons for the 1984/85 season, the EC authorized 336,000 tons for export starting August 1 with a maximum restitution (subsidy) of $42 per ton. This is the second consecutive year the Community has opened its export tender system before July 1, the normal opening date in the past. Large wheat stocks and prospects for a third consecutive bumper wheat harvest have depressed domestic prices in recent years, causing intensified efforts to increase free market exports via the weekly export tender system. The earlier tender season enables exporters to line up more sales and move shipments more quickly once the marketing year begins on August 1.

STATUS OF EC EXPORT TENDER AUTHORIZATIONS RELATIVE TO FINAL
(AUG/JUL--1,000 TONS)

Cumulative As Of :	1980/81	1981/82	1982/83	1983/84	1984/85
June 1	*	*	*	50	*
June 21	*	*	*	295	336
July 1	184	468	116	463	100
August 1	791	1,204	1,469	2,252	--
Final	5,953	4,455	8,099	6,590	--

* Not applicable.

NOTE: Prior to 1983, July 1 was the normal opening tender date; the EC marketing year begins August 1.

**France: The Moroccan press has reported that an aid agreement with France was announced that includes credit assistance for the purchase of grain. About 200,000 tons of grain sales are apparently still under negotiation. COFACE credit provisions, much the same as in a previous agreement signed in November 1982, have been offered. The grains involved will probably be wheat and/or barley, and the terms are a one year grace period with up to three years repayment in semi-annual installments. The effective interest rate for COFACE is 9.4 percent. The French have traditionally supplied over one half of Morocco's wheat and barley import needs.

**Australia: The Australian Wheat Board confirmed the sale of 220,000 tons of feed wheat to Mexico for June to September shipment, after earlier reports had put the quantity at 250,000 tons. The sale reportedly includes 3-year credit, and though the terms are not known, the availability of credit may have been instrumental in the Mexican decision to buy Australian supplies. According to trade reports, the price was about $142 to $143 per ton C&F. This is the first Australian wheat sale to Mexico since 1944, and further demonstrates that Australia is continuing to expand export outlets successfully for its huge supplies of downgraded wheat, possibly at the expense of U.S. feedgrain sales.

In addition, Australia has broken another wheat shipping record, May movement reached 1.47 million tons, 20,000 tons higher than the 1981/82 previous high. January, February and March 1984 wheat exports were each records as well. Reports indicate that the Australian Wheat Board has programmed 16.5 million tons of wheat for shipment for Dec. 1, 1983-Nov. 30, 1984. If successful, this would be almost 3.5 million tons higher than any previous year. To achieve this level, an average monthly movement of 1.5 million tons will need to be sustained for the remainder of the year.

Competitive Developments in Selected Foreign Markets

**Brazil: Brazil and Argentina have signed a memorandum of understanding encouraging freer trade, which in the future could reduce the level of U.S. grain exports, particularly wheat, to the Brazilian market. The understanding covers a number of commodities including wheat, rice, corn and sorghum. The understanding reportedly provides for: (A) easier flow of agricultural products between the two countries; (B) equal tariffs between countries for exports/imports according to each product; (C) abolishment of administrative controls in the release of export/import permits; (D) preferential treatment for their products over third countries, both for commercial and government purchases; (E) coordination of tax treatment; (F) establishing of information mechanisms for coordinating commercial and agricultural policies; (G) speeds up customs procedures for perishable products; and (H) establishment of common rules in the field of animal and plant health. This action is reportedly the first step towards a "common market", and Uruguay is expected to sign a similar agreement with Brazil in the future.

**Pakistan: Despite a setback in prospects for this year's wheat crop because of drought, Pakistan is not expected to increase imports in 1984/85. In recent years, Pakistan has been importing 400,000 to 500,000 tons of wheat annually for Afghan refugees, with much of it coming from the United States. As production surged a year ago, Pakistan actually exported around 200,000 tons, principally to Iran, while adding significantly to stocks. Exports are expected to continue in 1984/85 despite the reduced crop. The likelihood of increased imports is small due to large carryover stocks from last year's crop, the bulk of which is reported to be held by the government and can be released to the marketplace as needed.

**India: The Indian government expects record procurement of wheat during marketing year 1984/85, dampening prospects for U.S. wheat exports to India. The U.S. Agricultural Counselor reports that available supplies of wheat could approach 9.5 million tons, against last year's total wheat procurement of 8.3 million tons. As of June 1, stocks of wheat are also reported at 16 million tons. The recent timely arrival of the monsoon in southern and southeastern Indian states could help India achieve a total foodgrain production target of 153.6 million tons in MY 1984/85, also a record. India is currently forecast to import 500,000 tons of wheat during July-June 1984/85 versus 1983/84 imports of about 2.5 million tons.

Special Report: The Declining EC Wheat Import Market

EC 1983/84 wheat imports are now projected at 3.5 million tons, down somewhat from the previous year, highlighting the underlying downward trend for EC wheat imports, with long-run prospects for traditional exporters to the EC is not particularly bright. Prospects for a possible record wheat crop, including significantly higher durum production, and increasing efforts by the EC Commission to foster use of domestic wheat suggests a continuing slide in EC wheat imports in 1984/85 and a deterioration of U.S. exports to the Community.

The dwindling EC market indicates that the Community has been successful in the improvement of domestically-produced wheats and in the adaptation of milling technology to EC soft wheat. Another important factor in the decline

of EC wheat imports is the suspension of the inward processing scheme, which allowed EC millers to import wheat levy-free and export an equivalent amount of flour without the benefit of export restitutions. An examination of EC imports since 1975/76 shows that non-durum wheats entering the Community are now limited to the high quality, higher protein types from Canada and the United States. EC wheats have replaced U.S. Hard Red Winter and Soft Red Winter imports, as well as the medium protein, hard wheats from Australia and Argentina. The EC market for non-durum wheat may now be stabilizing at about 2.0 million tons.

EC durum wheat import demand may deteriorate over the long-run as the EC boosts durum production. Import demand would decline still further with a shrinking of EC export prospects for semolina to North Africa. Algeria and Tunisia are expanding their milling facilities, which will eventually preclude the need for processed durum in these markets. Algeria, in particular, has been a key market for Italian durum and semolina. A decline in the Italian semolina trade will directly translate into reduced demand for durum imports. The U.S. will likely continue to absorb the decline in durum trade to the EC because Canadian durum generally has a quality advantage. However, this may be offset by larger markets for U.S. durum in North Africa.

An expected rebound in EC durum wheat production this year may lead to a reduction in 1984/85 durum imports and increased exports, which will probably intensify competition in the North African durum markets. Greece and Italy are the EC's main durum producers, and Italy also accounts for the bulk of EC durum imports. Italian production, now estimated at 3.55 million tons, is up 650,000 tons from last year. Increased output in Italy will have a two-sided impact: decreased durum imports and increased durum grain and product exports. Italian durum grain and product exports are currently projected to increase from 900,000 tons in 1983/84 to 1.15 million tons in 1984/85. Algeria has been Italy's major customer over the years, normally accounting for over half of total Italian durum exports.

GREEK DURUM EXPORTS
(JULY/JUNE--1,000 TONS)

Destination	1980/81	1981/82	1982/83	1983/84
Italy	--	7	95	315
Algeria	66	191	240	100
Tunisia	--	82	86	--
Others	21	85	141	18
TOTAL	87	365	562	432

ITALIAN DURUM EXPORTS 1/
(AUG/JULY--1,000 TONS)

Destination	1980/81	1981/82	1982/83	1983/84 2/
Algeria	497	819	703	277
Others	337	513	608	297
TOTAL	834	1,332	1,311	574

1/ Includes semolina and pasta.
2/ Aug-Feb exports.

WHEAT EXPORTS TO THE EUROPEAN COMMUNITY
(1975/76-1983/84—1,000 TONS)

	July-June								July-April	
	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1982/83	1983/84
Canada										
Non-Durum	1,453	1,951	2,010	1,411	1,556	1,393	1,509	877	711	991
Durum	569	345	970	524	583	617	505	692	654	634
Total	2,022	2,296	2,980	1,935	2,139	2,010	2,014	1,569	1,365	1,525
Argentina										
Non-Durum	404	460	122	157	-	6	14	52	37	75
Durum	29	216	182	-	43	110	5	-	-	-
Total	433	676	304	157	43	116	19	52	37	75
Australia	106	135	-	-	1	23	-	-	-	
United States										
Non-Durum	2,231	1,081	1,930	1,700	1,632	1,798	1,841	1,149	953	1,012
Durum	544	232	483	486	653	638	867	352	275	183
Total	2,775	1,313	2,413	2,186	2,285	2,436	2,708	1,502	1,228	1,195
TOTAL EC										
Non-Durum	4,194	3,627	4,062	3,268	3,189	3,220	3,364	2,078	1,701	2,078
Durum	1,142	793	1,635	1,010	1,279	1,365	1,377	1,044	929	817
Total	5,336	4,420	5,697	4,278	4,468	4,585	4,741	3,122	2,630	2,895

Source: IWC Record of Operations.

Internal Price Policies of Foreign Countries

**Indonesia: Increasing flour prices have had a dampening affect on consumer demand for flour and import demand for wheat. Wheat flour consumption had been growing by as much as 8 percent per year in recent years. However, consumption is now forecast to increase by less than 5 percent in 1984 after a 35 percent rise over the past year in the retail price for all-purpose flour. That price is managed by the government, taking into account the fixed retail price of rice, as well as world prices for wheat. Since all of Indonesia's wheat for human consumption is imported (primarily from the United States and Australia), lower demand will likely hold imports at last year's 1.7-million-ton level.

**Japan: The Japanese government has announced that 1984 wheat purchase prices will remain at last year's level of 11,092 yen per 60 kilograms, or about $804 per ton. This marks the third consecutive year that wheat prices were not increased. Apparently any proposal that would increase the Food Agency's deficit from grain support programs was expected to be rejected. The wheat and barley deficit is currently at 111 billion yen ($475 million) annually. Japanese wheat production had been steadily increasing and with feeding of wheat apparently a limited outlet for the supplies, Japan has increased exports. The recent policy attempts to keep growing deficits in line by freezing support prices will reduce the stimulus to expand costly Japanese wheat production.

JAPANESE WHEAT SUPPLY AND DEMAND
(JULY/JUNE--1,000 TONS)

Year	Production	Imports	Feed Use	Total Use	Exports
1977/78	236	5,764	145	5,815	50
1978/79	366	5,744	166	6,066	88
1979/80	541	5,599	160	6,090	111
1980/81	583	5,840	145	6,095	138
1981/82	587	5,577	169	6,069	160
1982/83	742	5,795	142	6,092	254
1983/84 1/	695	5,600	160	6,130	300
1984/85 2/	630	5,700	160	6,130	300

1/ Estimate.
2/ Forecast.

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis. For example, in terms of quality differentials, the Canadian price is set for No. 1 CWRS, while No. 2 CWRS was discounted by approximately C$6 per ton and No. 3 CWRS by about C$11 per ton; No.1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

Exporter	1983/84 U.S.$ Equivalent		1983/84 Local Currency	1984/85 U.S.$ Equivalent		1984/85 Local Currency
	per bu	--------per ton---------		per bu	---------per ton--------	
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.78	102	5,080 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	N/A	N/A	N/A (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate.
N/A = Not available.

U.S. EXPORT EXPANSION ACTIVITY

**GSM-102:

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES UNDER CCC GUARANTEE PROGRAMS *

	FY 1983 Total Exports	FY 1983 Estimated Exports Under CCC Programs	FY 1984 Announced	FY 1984 Approved	FY 1984 Estimated Quantity Yet To Be Purchased
	---------1,000 Tons--------		--Million Dollars--		------1,000 Tons------
Algeria	724	—	160	0	1,067
Bangladesh	803	300	30	0	200
Brazil	2,186	2,575 1/	445	230	1,435
Chile	1,000	675	75	24	340
Colombia	558	—	83	45	255
Costa Rica	85	20	—	—	—
Dominican Rep.	209	80	16	16	—
Ecuador	322	220	79	45	225
Egypt	3,536	1,750	65	0	433
Guatemala	131	120	18	15	20
Haiti	117	45	5	5	—
Iraq	1,086	1,400 1/	170	160	66
Jamaica	84	40	13	12	10
Korea	1,844	785	130	98	210
Morocco	1,320	1,350 1/	244	239	35
Nigeria	1,208	200	—	—	—
Peru	863	780	100	35	435
Philippines	978	105	75	50	165
Portugal	543	560 1/	117	99	115
Tunisia	378	300	133	44	595
Turkey	—	—	44	24	133
Yemen	255	345 1/	30	0	200
Yugoslavia	293	350 1/	—	—	—
TOTAL	18,523	12,000	2,032	1,141	5,939

* Includes GSM-102 and GSM-5.
1/ Exports under CCC programs exceed total fiscal 1983 because some of the estimated shipments may have actually moved after Sept. 30, 1983.

**PL-480:

REVISED FY 1984 PUBLIC LAW 480 TITLE I/III
COUNTRY AND COMMODITY ALLOCATIONS
(1,000 TONS GRAIN EQUIVALENT)

Country	$Million-Total	Wheat/Flour	Rice	Feedgrains
$805 or Less Per Capita GNP				
Bangladesh	65.0	197	50	—
Bolivia	10.0	60	--	--
Egypt	250.0	1,545 1/	—	—
El Salvador	32.0	106	3	60
Guinea	2.0	—	6	—
Haiti	11.0	47	—	--
Honduras	8.0	47	—	—
Indonesia	30.0	—	45	--
Kenya	5.0	88	45	—
Liberia	15.0	—	36	--
Madagascar	8.0	—	23	—
Pakistan	50.0	—	--	--
Senegal	8.0	6	13	28
Sierra Leone	3.0	11	3	--
Somalia	16.0	28 1/	18	--
Sri Lanka	25.0	150	--	--
Sudan	50.0	299 1/	—	—
Tanzania	3.0	—	4	11
Yemen	3.0	5 1/	5	—
Zaire	10.0	58 1/	--	--
Zambia	7.0	17	6	—
Subtotal	611.0	2,670	223	99
Over $805 Per Capita GNP				
Congo (Brazzaville)	2.0	—	6	—
Costa Rica	20.0	127	—	15
Dominican Republic	20.0	—	—	125
Guatemala	7.0	—	—	--
Jamaica	20.0	49 2/	14	31
Mauritius	3.5	6 1/	8	--
Morocco	45.0	281	—	38
Peru	20.0	65	35	—
Tunisia	15.0	37	—	70
Subtotal	152.5	565	63	279
Allocated	763.5	3,235	286	378
Unallocated Reserve	27.5	—	--	—
TOTAL PROGRAM	791.0	—	—	—

1/ Wheat equivalent of flour or contains some portion of wheat equivalent of flour.

2/ Contains some portion of blended and/or fortified foods.

U.S. WHEAT/WHEAT FLOUR TRADE UNDER PL-480 WITH SELECTED COUNTRIES *
(1,000 TONS)

	FY 1983		FY 1984
	Exports Under PL-480	Total Exports	Agreements Signed 1/
Bangladesh	228	803	197
Bolivia	137	137	60
Costa Rica	70	85	127
Egypt	1,474 2/	3,536	1,545 2/
El Salvador	131	135	106
Haiti	40	117	47
Honduras	71	107	47
Indonesia	83	914	88
Jamaica	40 2/	84	49
Morocco	194	1,320	175
Peru	68	863	65
Sierra Leone	3	31	11
Somalia	23 2/	34	28 2/
Sri Lanka	155	216	150
Sudan	297 2/	480	182 2/
Tunisia	56	378	37
Zaire	60 2/	73	58 2/
TOTAL	3,130	9,313	2,972

* Transactions under Title I and III.

1/ Approximate quantities based on dollar value of agreements.

2/ Includes grain equivalent of flour.

Special Report: U.S. Flour Exports Expected To Decrease in 1984/85

After reaching a record in July-June 1983/84, U.S. flour exports are expected to decline to about 1.2 million tons in 1984/85. This decline can be attributed to expected decreases in commercial sales, especially to Egypt, in the wake of the expiration of the 1983 Memorandum of Understanding (MOU), which supplied over one million tons to that market. Despite increases in wheat flour programmed under Titles I and II of Public Law 480 (P.L. 480) during fiscal year 1984, total wheat flour exports are expected to remain at around the one million-ton level.

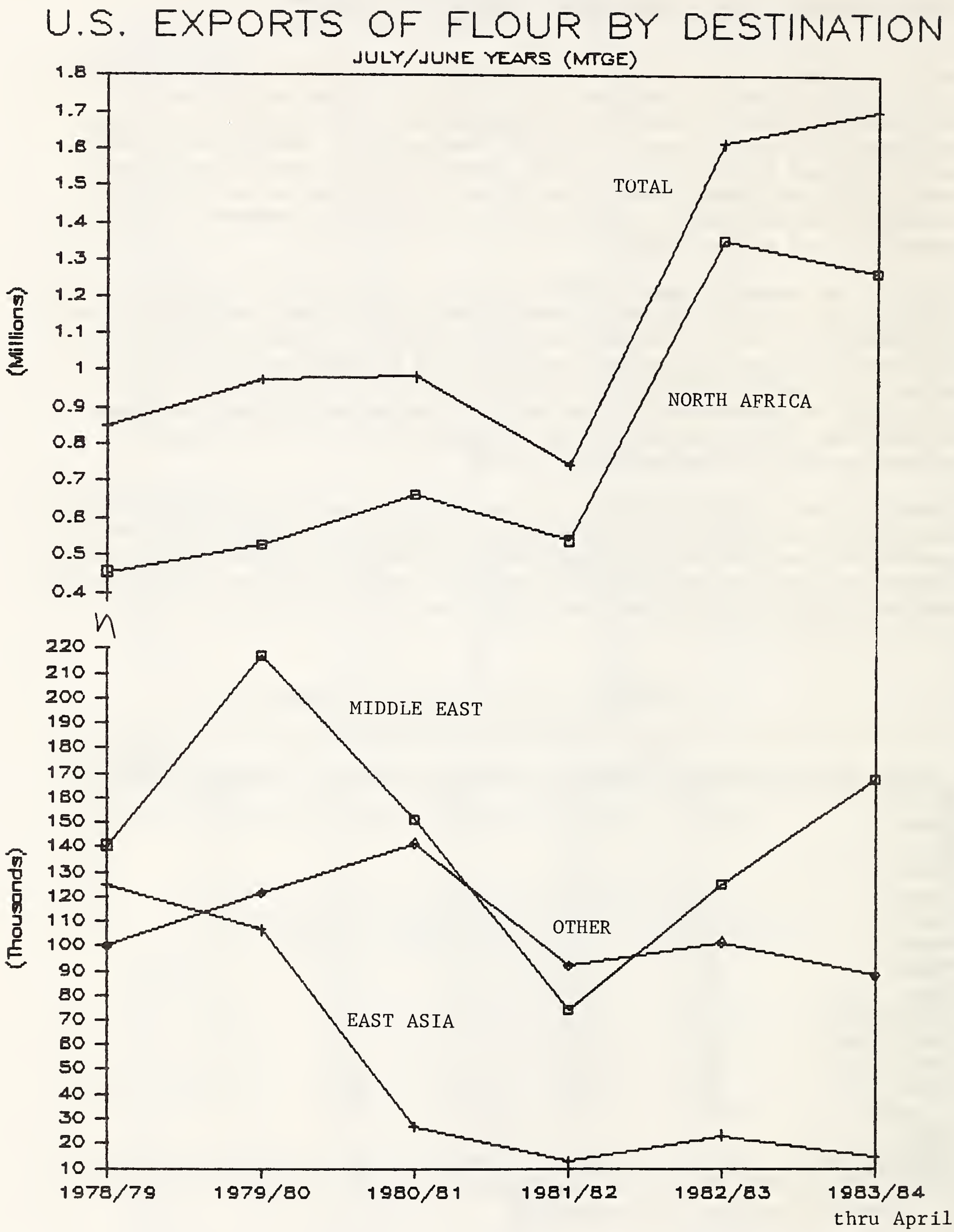
Egypt is the single largest market for flour in the world. It traditionally accounts for 25 to 30 percent of world trade in flour and has annual import requirements of over 1.5 million tons. During U.S. fiscal year 1984, over 628,000 tons (wheat equivalent) was allocated to Egypt under P.L. 480 Title I alone. Our main competition in Egypt comes from the EC, which has been successful in recapturing a large share of the market through the Common Agricultural Policy practice of export subsidies and by some logistical advantages such as cheaper freight rates.

Demand for value-added products such as flour is expected to remain strong in the 1980's, especially in developing countries and the Middle East, where populations and consumption requirements continue to outpace the rate of mill expansion. Markets such as Bolivia and Peru in South America, and Sudan and Morocco in North Africa, continue to grow and are building preferences for high-quality U.S. flour.

U.S. EXPORTS OF WHEAT FLOUR BY DESTINATION 1/
(JULY/JUNE--1,000 TONS)

Destination	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84 Thru Apr
Bolivia	5.1	8.4	5.4	5.0	6.9	53.4
Egypt	380.7	459.6	482.9	437.6	1,154.8	1,064.7
Guinea	--	7.3	--	4.0	--	27.8
Honduras	.5	.5	9.5	.7	1.5	29.6
Israel	5.3	5.3	5.1	4.3	8.7	10.3
Jamaica	22.0	17.3	15.6	14.8	12.2	28.3
Morocco	18.5	31.7	38.4	30.9	45.5	36.6
Nigeria	25.5	4.5	1.7	7.3	--	.3
Peru	9.4	6.8	7.3	8.4	12.6	59.4
Philippines	19.6	21.2	18.6	9.4	11.1	7.2
Saudi Arabia	122.5	192.0	131.9	63.1	104.8	141.7
Sri Lanka	99.2	80.2	7.1	2.6	11.0	6.5
Sudan	33.3	12.4	111.2	48.3	91.9	106.5
Other	105.7	128.2	148.8	97.0	106.7	92.4
TOTAL (Wheat Equiv)	847.5	975.4	983.8	747.6	1,615.1	1,701.7

1/ Includes commercial sales and concessional/gift programs for wheat flour, durum flour, and semolina.


U.S. EXPORTS OF FLOUR BY DESTINATION
JULY/JUNE YEARS (MTGE)
(Millions)
(Thousands)
TOTAL
NORTH AFRICA
MIDDLE EAST
OTHER
EAST ASIA
1978/79
1979/80
1980/81
1981/82
1982/83
1983/84
thru April

U.S. EXPORTS OF WHEAT FLOUR
(JULY/JUNE--1,000 TONS)

	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84 Thru Apr	1984/85 Forecast
WHEAT FLOUR							
Relief	82.4	114.4	134.2	101.3	169.9	314.4	350.0
Not Relief	673.4	818.0	826.1	592.0	1,412.6	1,332.2	800.0
DURUM FLOUR & SEMOLINA	91.7	43.0	23.5	54.2	32.6	55.0	50.0
TOTAL (Wheat Equiv)	847.5	975.4	983.8	747.6	1,615.1	1,701.7	1,200.0

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast: Although the corn export pace has slowed in recent weeks, projected October-September 1983/84 U.S. corn exports, excluding about 430,000 tons of products, remain unchanged at 47.8 million tons. The projection for 1984/85 corn exports is 51 million tons, unchanged from last month. The U.S. sorghum forecasts remain pegged at 5.7 and 5.1 million tons, respectively, as the overall coarse grain situation continues to indicate a strong sorghum export pace in the near-term and a slackening of demand when the 1984 corn crop comes on-stream.

Shipments and Sales: U.S. corn sales for the 4-week period ending June 21 continued to slide, falling well below the year ago pace. Corn shipments were also down from last month but the cummulative total remains above last year. Sorghum sales and shipments lagged this month as buying activity was unable to sustain the pace of previous months.

IMPORTER BUYING ACTIVITY

Recent buying activity has been lackluster, which is fairly typical for this time of the year. Other than regular purchases by Korea, Mexico and Taiwan, the only major buyers in the market were Egypt for U.S. corn and Venezuela for U.S. corn and sorghum.

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN MAY 25, 1984 AND JUN. 29, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
6/28	Cyprus	U.S.	12,000	YC	?	Aug-Sep
6/4	Egypt	U.S.	135,000	#2 YC	168.95 @ 169.36 C&F	Jul
6/28	Egypt	U.S.	125,000	#2 YC	?	Jul
6/13	Israel	U.S.	25,000	#2 YS	?	Sep
6/14	Jamaica	U.S.	31,574	#2 YC, #3YC	Various	J-J-A
5/25	Korea	U.S.	50,000	#2 YC	155.00	Jun
5/29	Korea	Australia	30,000	Sorghum	130.68	Jun-Jul
6/5	Korea	U.S.	52,000	#3 YC	?	Jun-Jul
6/7	Korea	U.S.	55,000	#3 YC	165.15 C&F	Jul
6/8	Korea	U.S.	100,000	#3 YC	147.85 @ 148.23	Jun-Jul
5/30	Mexico	U.S.	25,000	YS	?	Jun-Jul
6/7	Mexico	U.S.	45,000	#2 YS	?	Jul
6/7	Mexico	U.S.	65,000	YC	159.04 @ 165.95	Jul
6/1	Portugal	U.S.	42,000	YC	148.30	Jul
5/29	Taiwan	Australia	50,000	Sorghum	140.00 @ 142.40 C&F	Aug-Sep
6/1	Taiwan	U.S.	27,000	#2 YC	154.81	Aug
6/6	Taiwan	Uruguay	35,000	Sorghum	142.00 C&F	Jun
6/27	Taiwan	U.S.	60,000	YC	164.49 C&F	Jul
6/4	Venezuela	U.S.	200,000	#3 YC	160.00 @ 170.00 C&F	Jul-Aug
6/11	Venezuela	U.S.	66,000	#3 YC	158.19 @ 169.90 C&F	Jul-Sep
6/11	Venezuela	U.S.	20,000	#2 YS	148.30	Jul

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

MARKET OPPORTUNITIES

**Syria: The Syrian government is trying to facilitate needed imports due to current shortages of animal feed by allowing private firms to directly import feed ingredients; this policy is in effect from June 7 until the end of 1984. Syrian corn imports have averaged 215,000 tons over the past five years, with the United States the major supplier.

Current drought conditions are expected to result in Syrian corn production dropping to 25,000 tons, less than half of the 1982/83 level, and the lowest on record since 1974/75. Additional opportunities for exports of U.S. corn could develop in 1984 as a result of the severe crop shortfall and trade liberalization decision. In addition, corn consumption has been increasing due to a growing poultry sector. Private sector imports of corn could reach 250,000 tons, an increase of 150,000 tons over the October-September 1983/84 level.

**Kenya: Almost complete failure of the "long rains", which normally fall between March and May, will mean sharply lower foodcrop production, and turn Kenya from a corn exporter to an importer. Corn is the major food crop, with production sufficient to allow small quantities of exports in recent years. Nearly 80 percent of the harvest is consumed at the subsistence level. Kenya reportedly does not have enough foreign exchange to pay for the food grain imports necessary to meet its impending shortfall and has appealed for about 1.1 million tons of corn and 400,000 tons of wheat on a concessional basis.

Special Report: Venezuelan Corn and Sorghum Situation

Venezuela promises to remain a steady, if not growing, market for food corn, feedgrains and other feedstuffs. This is likely despite the new government's program to stimulate domestic outturn of imported commodities. Venezuela is attempting to reduce imports, conserve foreign exchange and reduce the country's large external debt. Industry and trade sources are convinced the government program is far too ambitious given the high rate of population growth, the limited potential to bring new land into cultivation, the multitude of physical, technological, economic, administrative, demographic and socialogical problems that have limited agricultural growth, and the lack of government success in coming to grips with these problems in the past. At best, the government may be able to hold imports at the current level of about 1 million tons of feedgrains and around 500,000 tons of food corn annually. Future import demand for corn will likely be stronger than for sorghum; the Venezuelan government currently has no plans to initiate the cultivation of wheat and soybeans.

Natural conditions are more favorable for the cultivation of sorghum than for corn. The government currently subsidizes the price of domestically produced sorghum, and through a multiple exchange rate, also subsidizes imports of sorghum, corn and other essential feed and food commodities. The government recently placed a ban on all sorghum imports to prevent cheap imported sorghum from being sold at the artificially high price for domestically produced sorghum. Venezuela has, however, purchased about 138,000 tons of U.S. sorghum over the past month. Apparently delays in the rainy season and potential crop problems prompted nearby purchases to cover consumption needs until new crop sorghum becomes available this fall.

A number of factors suggest that the import demand for corn will likely strengthen in both the short and long term. The banning of sorghum imports will force larger imports of feed corn. This in turn will increase the inclusion of corn in mixed feed thereby improving color and quality. Population growth is accompanied by increasing utilization of corn for food. Inflation and the squeeze on real income is forcing consumers to consume more starchy food and also to switch from beef to poultry and pork, the production of which requires the feeding of more grain. The government is encouraging farmers to produce more dairy and poultry products, this will increase demand for mixed feed. Venezuela's mixed feed industry is based on American technology and is fairly modern. The industry is currently operating at about 40 percent of capacity and can expand production with little or no capital investment. Some of the larger manufacturers are vertically integrated and are planning to specialize, thereby lowering cost and retail prices. The industry is also working with the government to reduce or eliminate much of the red tape and controls that have heretofore retarded efficient mill operation and feed distribution.

The United States enjoys a number of competitive advantages in the Venezuelan market. Ocean freight U.S. Gulf to Venezuela is generally about $25 per ton cheaper than from Argentina to Venezuela. U.S. corn is preferable for feed use and is easier to mill. Venezuelan feed manufacturers do not need the highly pigmented Platte corn which often sells for a premium. South African white corn is much preferred over U.S. white for food use because of its higher extraction rate, lower moisture content and higher quality associated with field drying. Venezuelan millers indicate that Argentine flint and semi-flint corn is preferable to U.S. dent for food use because of higher starch content, better color and taste. U.S sorghum is preferable to the bird

resistant varieties grown in Argentina because of its higher nutrient and energy content and much lower levels of tanic acid. On a feed value basis, the spread in value between U.S. corn and sorghum is about 10 percent, a spread that widens to about 15 percent for Argentine and Venezuelan sorghum.

Market promotion programs in such diverse areas as beef feeding trials, techniques to export poultry meat, feed manufacturing technology, carcass grading of hogs, and egg and dairy production technology promise to stimulate Venezuela's import demand for feedgrains. The government's program to develop dairying may also create a market for corn gluten feed.

VENEZUELAN CORN PRODUCTION AND IMPORTS
(OCT/SEP--1,000 TONS)

Year	Production	Imports From U.S.	Total Imports
1979/80	848	739	1,446
1980/81	520	692	1,340
1981/82	453	414	738
1982/83	501	892	948
1983/84 1/	429	950	1,250

VENEZUELAN SORGHUM PRODUCTION AND IMPORTS
(OCT/SEP--1,000 TONS)

Year	Production	Imports From U.S.	Total Imports
1979/80	430	146	201
1980/81	584	501	501
1981/82	347	713	915
1982/83	377	243	350
1983/84 1/	280	200	200

1/ Estimate.

U.S. CORN AND SORGHUM EXPORTS BY DESTINATION
(OCTOBER/SEPTEMBER--1,000 TONS)

Destination	1980/81	1981/82	1982/83 Actual Exports	1982/83 Committed as of 6/21/83 1/	1983/84 Committed as of 6/21/84 1/
CORN					
EC	9,185	6,997	4,033	3,300	2,565
Other W. Europe	5,503	6,579	5,190	4,449	4,052
Eastern Europe	6,741	3,607	1,471	1,447	497
USSR	4,947	7,499	3,208	3,208	6,048
China	725	1,117	2,175	2,174	—
Japan	12,586	10,588	14,524	14,912	15,532
Taiwan	1,502	1,718	2,971	2,955	2,439
Rep. of Korea	2,304	2,690	3,815	3,581	2,692
Egypt	1,129	1,348	1,638	1,382	1,077
Canada	1,050	800	720	250	82
Mexico	3,832	554	4,305	4,031	1,906
Venezuela	692	414	841	787	947
Others	9,075	6,029	3,102	4,304	6,346
Total	59,749	49,940	47,993	46,780	44,183
SORGHUM					
Spain	179	790	149	149	317
Other W. Europe (excluding Spain)	595	540	286	233	133
Japan	2,725	2,437	926	754	1,501
Israel	449	368	432	379	643
Mexico	2,647	544	3,196	2,782	2,396
Venezuela	501	713	231	119	168
Others	606	898	501	492	554
Total	7,702	6,290	5,721	4,908	5,712

1/ Accumulated shipments and sales, excluding sales for next marketing year.
Source: U.S. Census for 1980/81-1981/82 and U.S. Export Sales for 1982/83-1983/84.

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTION 1/
(OCTOBER/SEPTEMBER—MILLION TONS)

Monthly Shipments				
	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
March 22	4.3	3.9	.6	.7
April 19	3.5	4.0	.2	.4
May 17	3.4	3.9	.1	.3
June 21	4.6	3.7	.4	.3
Cumul. in MY	37.0	37.3	4.0	4.6

Monthly Sales 2/				
	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
March 22	4.8	4.6	.1	.9
April 19	3.9	2.8	.5	.3
May 17	3.1	2.6	.3	.4
June 21	3.5	2.4	.4	.2
Cumul. in MY	46.8	44.2	4.9	5.7

Weekly and Annual Inspection Rates				
	CORN		Sorghum	
	MT	BU	MT	BU
Week Ending June 14	0.7	26.7	0.04	1.7
Week Ending June 21	0.7	27.0	0.11	4.3
Official Estimate for Current MY				
(Grain only)	47.8	1883	5.72	225
Implied Weekly Average	.9	36.2	.11	4.3
Latest Six Weeks				
Weekly Average	0.7	29.3	0.08	3.0
Marketing Year-To-Date				
Weekly Average	0.9	37.2	0.11	4.4
Weekly Avg. Extrapolated Annually	49.1	1934	5.82	229
Balance of Year to Achieve Estimate				
Implied Weekly Average	0.8	33.4	0.10	4.0

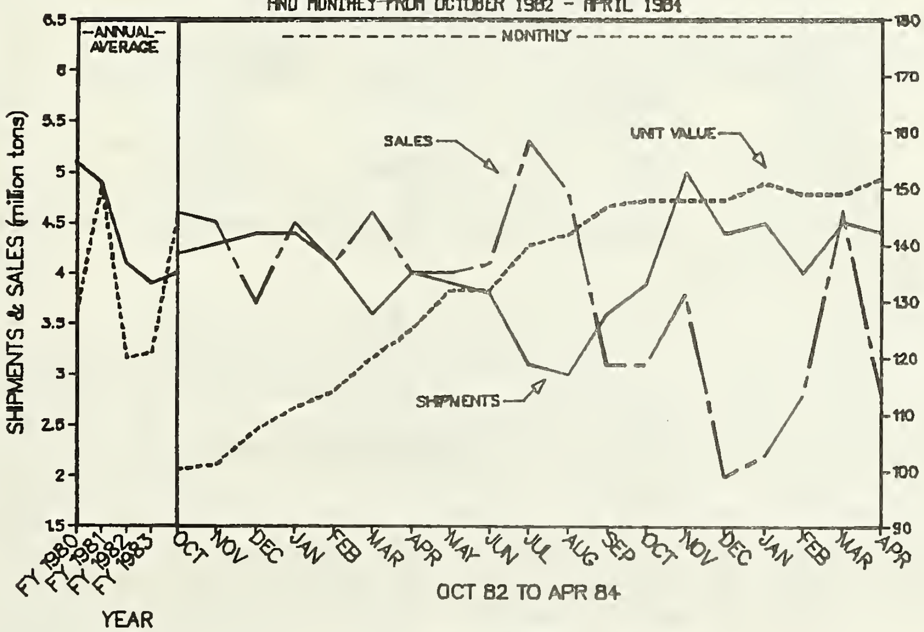
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.
* Denotes less than 50,000 tons.
Source: Export Sales; FGIS

CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

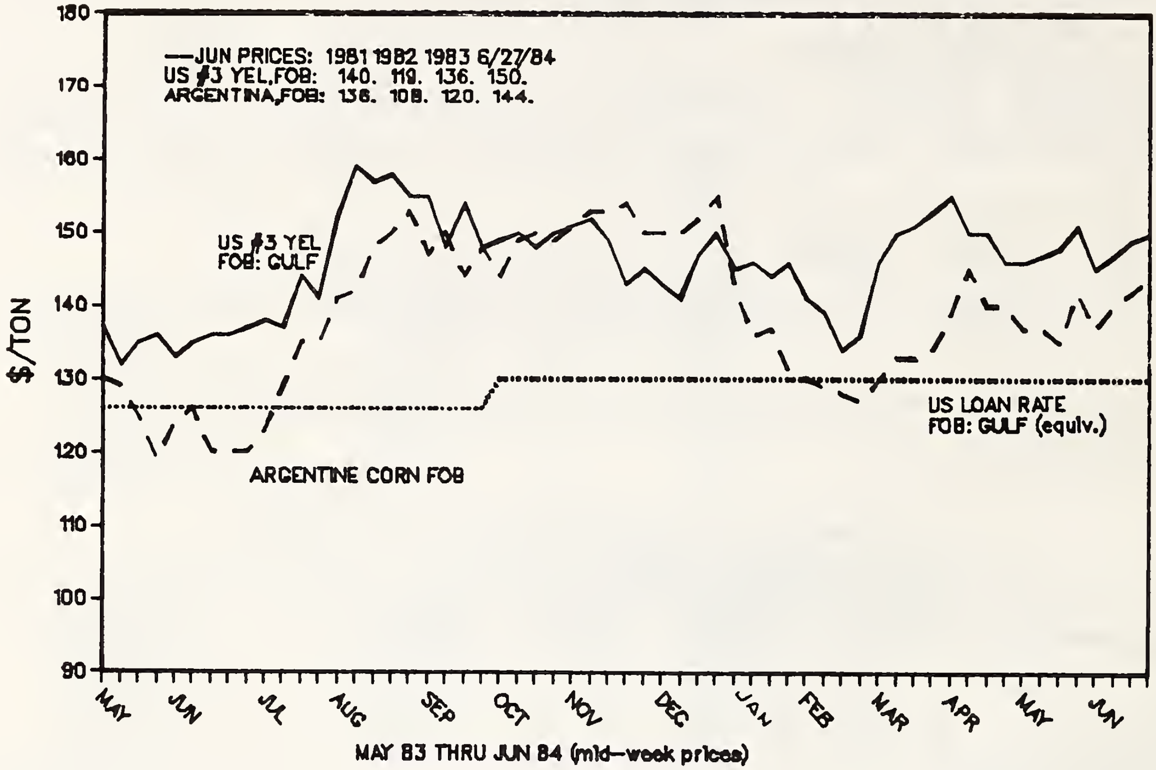
	SORGHUM		CORN					
	Argentina		Argentina		Thailand		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
March 22	.3	.3	.2	.5	.1	.1	.6	.9
April 19	.6	.6	.7	1.1	.2	.2	1.5	1.9
May 17	.8	.9	1.1	1.0	.2	.1	2.1	2.0
June 21	.9	.7	.9	.7	.1	.2	1.9	1.6
Cumul. in MY	3.4	3.5	4.2	4.2	1.7	2.2	9.3	9.9
Total for Season 2/	4.9	5.5	6.4	6.3	2.2	3.0	13.5	14.8

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1983/84.
* Denotes less than 50,000 tons.

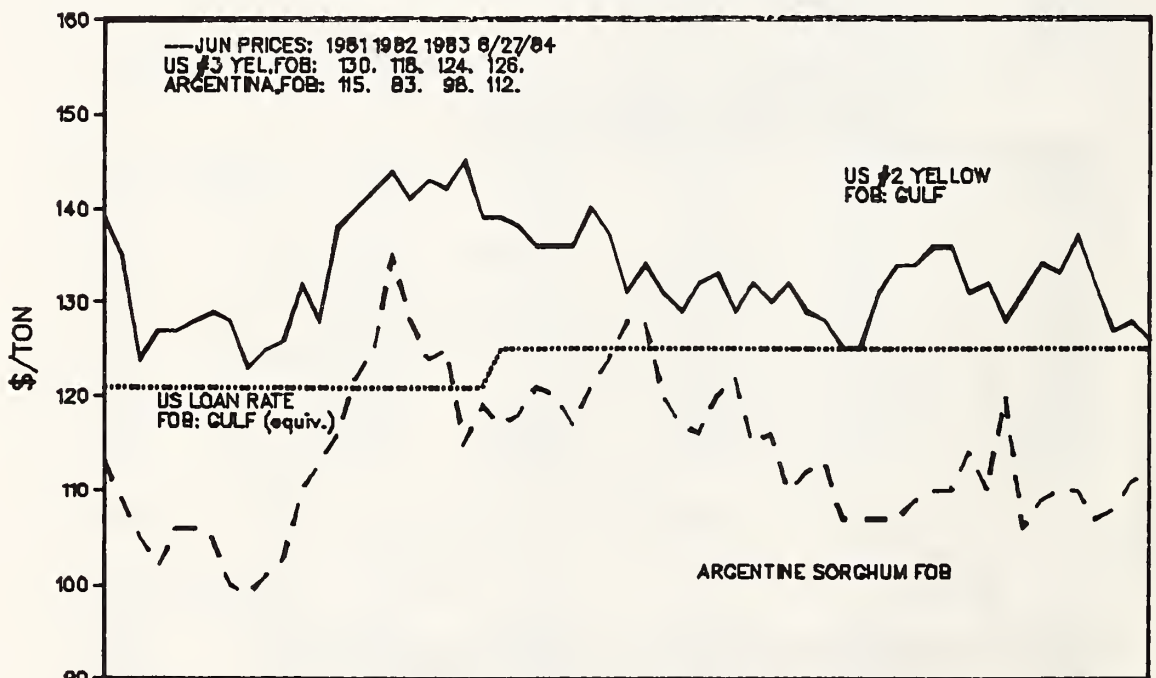
U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM OCTOBER 1982 - APRIL 1984



CORN EXPORT PRICES
U.S. AND ARGENTINE



SORGHUM EXPORT PRICES
U.S. AND ARGENTINE



OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries' Selling Activities and Competitive Practices

**Thailand: Thai corn exports July through May exceed last year's movement by about 35 percent. An examination of the 1983/84 data shows that the increase this year is primarily due to a recovery in exports to the Middle East. Thai corn exports to Saudi Arabia have continued to grow, and Kuwait and Jordan have apparently returned to the Thai market. Thailand, however, exports about two-thirds to three-quarters of all its exports to Asian destinations. Thai July-June 1983/84 marketing year corn exports through May, at 2.7 million tons, already substantially exceed last year's total movement but are not likely to reach the 1981/82 record of 3.2 million tons.

A large 1984 corn crop is expected and could result in increased July-June 1984/85 Thai exports. However, reports indicate that despite abundant supplies, Thailand will need to restore its export position in Japan and Taiwan in order for Thai corn exports to reach or exceed the previous record. Japan had been Thailand's major market, importing half a million to nearly a million tons of corn in past years. Japan and Taiwan accounted for about 450,000 tons of Thai exports in 1981/82 and virtually dropped out of this market in 1982/83, filling import requirements with U.S. corn.

Competitive Developments in Selected Foreign Markets

**Indonesia: Untimely rainfall has dampened Indonesia's program to expand corn production in 1984, tightening domestic supplies and limiting trade prospects. Indonesia has been both an importer and exporter of small quantities of corn in recent years, reflecting the fragile balance between domestic production and consumption. With rising demand for the production of poultry feed, lower crop prospects will likely curtail exports and intensify the need for imported corn in 1984/85. Thailand has been the primary supplier of imported corn in recent years.

INDONESIAN CORN SUPPLY AND DEMAND
(JAN/DEC--1,000 TONS)

Year	Production	Imports	Feed Use	Total Consumption	Exports
1980	3,991	34	585	4,010	15
1981	4,509	2	631	4,506	5
1982	3,235	198	700	3,332	1
1983	5,000	51	900	4,784	67
1984 1/	4,500	50	1,000	4,700	15

1/ Forecast.

**Spain: The large Spanish grain crops are expected to have a dramatic impact on import requirements for corn and sorghum, and will directly affect U.S. coarse grain export prospects for the balance of the 1983/84 marketing year (Oct-Sept), as well as the 1984/85 year. Coarse grain imports are currently estimated at 4.5 million tons in 1983/84 (Oct-Sept) and may drop to no more than 3.5 million tons in 1984/85. These levels compare with average coarse grain imports of well over 6 million tons during the previous three years. The ultimate level of imports will greatly depend on the degree of substitution of wheat and barley for imported corn and sorghum. Spain may elect to export some portion of the anticipated wheat and barley surpluses rather than displace imported corn and sorghum.

Internal Price Policies of Foreign Countries

**Nigeria: The Nigerian technical committee on producer prices of certain food and industrial commodities has dramatically increased support prices for the 1984/85 marketing year. The new prices indicate a concerted effort by federal military government to encourage increased grain production. For the past two seasons producer prices remained unchanged. Announced corn producer prices registered the largest changes, increasing from 210 naira per ton (about $158) to 360 naira (about $271), or an increase of almost 42 percent. Soybean prices were also adjusted upward by about 42 percent, followed by beans-40 percent, sorghum-39 percent, millet-36 percent, wheat-30 percent and paddy rice 20 percent. Nigeria has suffered from severely drought reduced grain crops, particularly corn and sorghum, this past season and increased incentives to producers may be one way to help replenish coarse grain supplies.

NIGERIAN COARSE GRAIN SUPPLY AND DEMAND
(JUL/JUN--MILLION TONS)

Year	Production	Import	Consumption	Ending Stocks
1980/81	9.1	.3	9.3	.2
1981/82	8.1	.4	8.6	.2
1982/83	9.2	.4	9.5	.3
1983/84 1/	6.6	.2	7.1	*
1984/85 2/	9.4	.3	9.7	*

1/ Forecast.
* Less than 50,000 tons.

BARLEY, OATS AND RYE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

U.S. barley exports in June-May 1984/85 are forecast at 1.525 million tons. The barley estimate for 1983/84 now stands at 1.96 million tons, revised downward 10 percent from last month. Estimates for rye and oats exports in 1984/85 remain unchanged from last month.

U.S. EXPORTS OF BARLEY, OATS AND RYE
JUNE/MAY--1,000 TONS

Grain	1982/83	1983/84 1/	1984/85 2/
Barley	1,028	1,960	1,525
Oats	57	45	72
Rye	5	25	25

1/ Estimated.
2/ Projected.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY—1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 6/21/84 1/	1984/85 Committed as of 6/21/84 1/
EC	301	112	360	—	—
Other W. Europe	472	226	441	18	88
Eastern Europe	111	—	126	—	—
Taiwan	373	146	223	83	25
Japan	336	119	372	87	134
Canada	128	—	—	—	—
Others	546	317	509	30	156
Total	2,267	920	2,033	218	403

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. OATS EXPORTS BY DESTINATION
(JUNE/MAY—1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 6/21/83 1/	1984/85 Committed as of 6/21/84 1/
EC	4	—	5	—	—
Canada	1	—	—	—	—
Mexico	16	—	—	—	—
Venezuela	10	1	3	1	1
Others	87	3	1	—	—
Total	118	4	9	1	1

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. RYE EXPORTS BY DESTINATION
(JUNE/MAY—1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 6/21/83 1/	1984/85 Committed as of 6/21/84 1/
EC	1	—	3	—	—
Other W. Europe	13	—	—	—	—
Canada	15	—	—	—	—
Others	9	—	20	—	—
Total	38	—	23	—	—

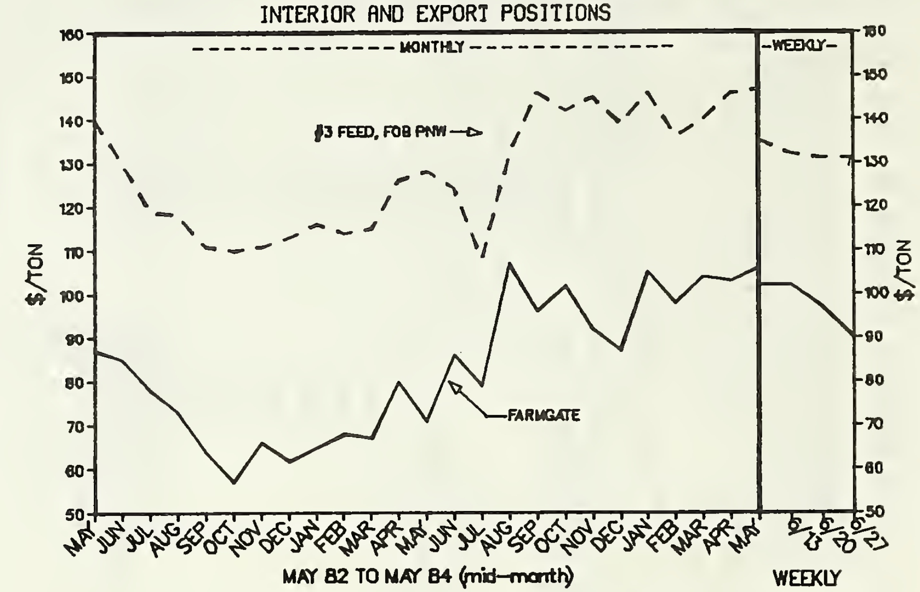
1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER—MILLION TONS)

4 Weeks Ending 1/	U.S. 82/83	U.S. 83/84	CANADA 82/83	CANADA 83/84	FRANCE 2/ 82/83	FRANCE 2/ 83/84	U.K. 2/ 82/83	U.K. 2/ 83/84	Total 82/83	Total 83/84
March 22	.1	.1	.4	.3	.1	*	.3	.1	.9	.6
April 19	*	.2	.3	.5	.1	*	.2	.1	.6	.8
May 17	.1	.1	.6	.5	.2	N/A	.1	N/A	1.0	N/A
June 21	*	.1	.6	.4	.1	N/A	.1	N/A	.8	N/A
Cumulative	.5	1.7	3.5	3.5	.8	.4	1.3	.6	6.1	6.2
Total for Season	.9	2.0	6.0	5.5	1.1	.8	1.4	1.0	9.4	9.3

1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1983/84.
N/A Not available.
* Less than 50,000 tons.

U.S. FEED BARLEY PRICES
INTERIOR AND EXPORT POSITIONS



OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**Australia: Australian barley exports for the first half of their November/October marketing year have reached over 2 million tons, a full million tons above average movement in previous years for the same period and already higher than total exports in 8 out of the 10 past marketing years. Principal destinations for Australian barley to date include Saudi Arabia, Singapore and Japan. Australia has also moved barley into non-traditional markets such as the German Democratic Republic (GDR). A record 1983/84 barley crop of 5.4 million has provided Australia with ample exportable supplies with overall exports limited only by demand and/or shipping constraints.

AUSTRALIAN BARLEY EXPORTS
(OCT/SEP--1,000 TONS)

Destination	1979/80	1980/81	1981/82	1982/83	1983/84 1/
Saudi Arabia	281	256	781	103	573
Japan	664	441	220	126	251
Taiwan	284	57	46	74	59
USSR	1,092	274	49	--	59
Singapore	146	92	505	32	636
GDR	--	--	44	50	136
Kuwait	28	--	65	12	84
Other	405	420	365	103	402
TOTAL	2,900	1,540	2,075	500	3,300 2/

1/ October-April shipments.
2/ Forecast total exports.

RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES 1/

Export Forecast. The forecast for U.S. rice exports in August-July 1983/84 remains unchanged from last month at 2.0 million tons. The preliminary forecast for the 1984/85 marketing year is also 2.0 million tons, reflecting expected weak world demand next year, especially for U.S. rice.

Shipments. U.S. rice exports during the 4-week period ending June 21 totaled 169,900 tons, compared to the previous 4-week total of 133,300 tons. Major destinations included Indonesia, Iraq and Saudi Arabia. Cumulative shipments through June 21 totaled 1.87 million tons, about four percent behind the pace of exports at this time last year. Exports of about 200,000 tons (milled basis) will be needed between June 22 and the end of July to reach the export forecast of 2.0 million tons.

Sales. During the 4-week period ending June 21, new sales registrations for 1983/84 delivery fell sharply to only 76,700 tons, less than half the level of new sales in the previous 4-week period. This slowdown largely reflects the continued large price gap between U.S. rice and rice from other sources--primarily Asia. Italy was the only significant buyer, with new purchases totaling 35,800 tons. The most recent sales to Iraq had not been registered as of June 21. Export commitments for 1983/84 delivery now total 2.13 million tons, more than 11 percent below the 2.4 million tons registered by this date one year ago.

1/ Shipments and sales data are on a product basis.

IMPORTER BUYING ACTIVITY

The past month's activity was highlighted by Bangladesh's large purchases of rice from Thailand and Burma. Iran and Syria also bought significant quantities of Thai rice, while Iraq and Italy made sizeable purchases in the U.S. market. Business in Europe was routine, with purchases during the past month at generally normal levels.

ESTIMATED RICE IMPORT COMMITMENTS FOR SELECTED COUNTRIES
(CY 1984--1,000 TONS)

Buyer	U.S.	Thailand	Pakistan	Burma	Other	Total Committed 1/	Forecast Imports
India	10	285	--	425	--	720	675
Indonesia	54	120	15	65	365	620	700
Iran	---	340	145	---	145	630	680
Iraq	312	120	---	---	---	430	440
Nigeria	25	520 2/	180	---	---	725	775

1/ Discrepancies due to rounding.
2/ 200 TMT designated Sept. '84/Mar. '85 shipment.

RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN MAY 26 and JUNE 26, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price $/MT 2/	Delivery Period	Date of Report
Bangladesh	Thailand	200.0	P 25%	235	Jun/Aug	6/14
		75.0	P 25%	230	Jun/Aug	6/14
		130.0	35%	232-235	Jun/Aug	6/14
		20.0	A-1 S	202-205	Jun/Aug	6/14
	Burma	20.0	35%	195	Jun/Sep	6/12
		20.0	F/Bld 12%	190	Jun/Sep	6/12
Cameroon	Thailand	10.6	Spec. Mix	N/A	N/A	6/22
Iraq	U.S.	87.5	#2/4% LG	446-452 3/	Aug-Sep	6/13
Iran	Thailand	60.0	F 100% B	N/A	N/A	Various
		85.0	100% B	N/A	N/A	Various
Italy	U.S.	12.2	N/A	N/A	N/A	6/7
		23.8	N/A	N/A	N/A	6/21
Ivory Coast	Thailand	10.0	25%	N/A	N/A	6/15
Jamaica	U.S.	16.3	#5/20% LG	303-307 4/	Jul/Sep	6/18
Jordan	Spain	10.0	Camolino	397 3/	N/A	6/26
Madagascar	Thailand	30.0	A-1 S	N/A	N/A	Various
Nigeria/West Africa	Thailand	54.5	P 5%	N/A	N/A	Various
Senegal	Thailand	50.0	A-1 Spec.	N/A	N/A	Various
South Africa	Thailand	1.0	P 100%	N/A	N/A	6/22
	U.S.	10.9	P #2/4% LG	N/A	N/A	6/14
Syria	Thailand	24.0	100% C	284 3/	Jul/Sep	6/25
N/A	Burma	10.0	25%	217	May/Jun	6/4
		3.5	L/Bld 10%	240	Jun	5/28
		20.0	25%	217	Jul/Aug	5/28
		10.0	35%	205	Jun	6/4
N/A	Costa Rica	40.0	25%	229	Jul/Nov	6/25
N/A	Thailand	5.0	35%	226	Jun	6/7
		5.0	15%	236	Jun	6/7

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B = Brown, F = Fragrant, L/Bld = Long, Boiled, F/Bld = Full Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ C&F
4/ FAS basis, PL-480 sale.

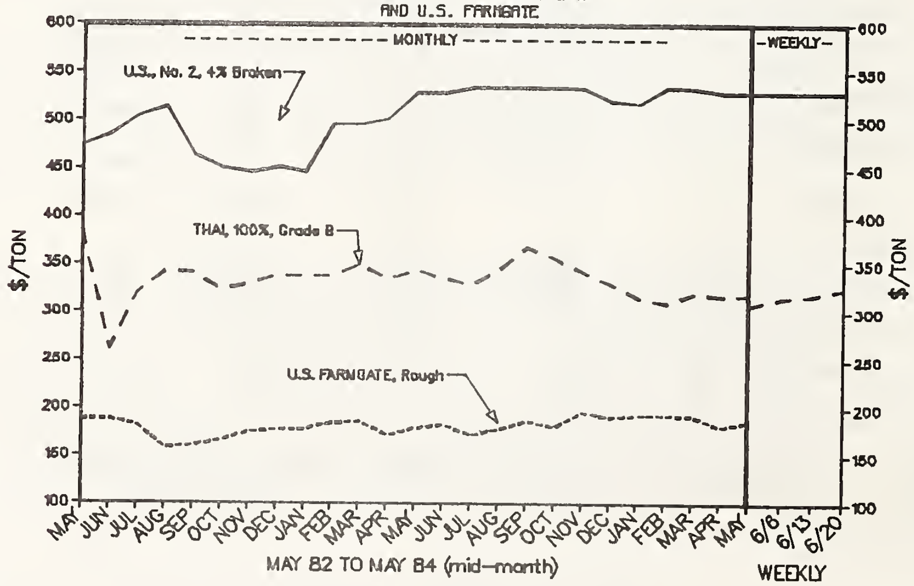
N/A Not available.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1980/82-1982/83, AND AUGUST 1 THROUGH June 21 for 1983/84
(AUGUST/JULY—1,000 TONS)

Destination	Marketing Year	Long Grain Milled	Long Grain Brown 2/	Other 1/ Milled	Other 1/ Brown 2/	Total Exports
EC 10	1980/81	4	221	1	—	226
	1981/82	2	310	56	192	560
	1982/83	1	214	15	—	230
	1983/84	29	184	2	78	291
Other W. Europe	1980/81	22	51	1	*	73
	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	23	35	14	160	232
E. Europe & USSR	1980/81	7	—	25	—	32
	1981/82	*	—	*	—	*
	1982/83	*	—	*	—	*
	1983/84	—	—	—	—	—
Iran	1980/81	—	—	—	—	—
	1981/82	85	—	—	—	85
	1982/83	—	—	—	—	—
	1983/84	—	—	—	—	—
Iraq	1980/81	103	—	—	—	103
	1981/82	270	—	*	—	270
	1982/83	327	—	*	—	327
	1983/84	267	—	2	—	269
Saudi Arabia	1980/81	237	—	8	—	244
	1981/82	250	—	15	—	265
	1982/83	267	—	2	—	269
	1983/84	263	—	6	—	269
Other Middle East	1980/81	106	4	1	—	110
	1981/82	106	8	17	3	135
	1982/83	48	—	2	—	50
	1983/84	41	—	4	—	45
Republic of Korea	1980/81	—	—	—	1,161	1,161
	1981/82	—	—	*	339	339
	1982/83	—	—	*	213	213
	1983/84	—	—	*		112
Other Asia & Oceania	1980/81	133	—	10	*	142
	1981/82	4	—	38	—	43
	1982/83	2	—	129	—	132
	1983/84	5	—	139	—	144
Nigeria	1980/81	249	—	—	—	249
	1981/82	347	—	—	—	347
	1982/83	159	—	—	—	159
	1983/84	63	—	—	—	63
Other Africa	1980/81	176	106	45	4	330
	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	112	122	140	—	374
W. Hemisphere	1980/81	202	40	72	37	352
	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	159	32	109	17	317
Total 3/	1980/81	1,238	422	162	1,202	3,024
	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	977	372	413	366	2,127

* Less than 500 tons.
1/ Includes medium, short, and mixed.
2/ Data not converted to a milled equivalency. Includes rough rice.
3/ Discrepancies due to rounding and changes to unknown destinations.
SOURCE: U.S. Export Sales

RICE PRICES
U.S. AND THAI C&F ROTTERDAM
AND U.S. FARMGATE



**Iraq: In its June tender, the State Grain Trading Corporation (SGTC) purchased 87,500 tons of U.S. #2/4% long grain rice at $446-$452 per ton C&F--$418 per ton FOB equivalent. Iraq now appears to have covered most of its expected calendar year 1984 import needs, but the SGTC has asked for and received an additional $17 million of GSM-102 credit guarantees, which, when added to the previous balance of $9.5 million, should finance an additional 60,000 tons of rice.

**Iran: The General Trading Corporation (GTC) of Iran again made several purchases of Thai 100% B and fragrant rice during the last month. Iran, which also buys basmati rice from Pakistan, is becoming a major market for Thai fragrant rice. GTC purchases of Thai fragrant rice for 1984 delivery now total about 100,000 tons.

**Philippines: The Ministry of Agriculture reportedly is considering imports of rice from Thailand and China to boost local supplies. While stressing that there was no overall shortage of rice in the Philippines, the government blamed farmers and traders for hoarding rice in anticipation of increased prices following the recent devaluation of the peso. However, there are reports that the Philippines may have already purchased 40,000 tons of rice and that total import needs could be as much as 100,000-150,000 tons.

**Japan: The Republic of Korea has reportedly agreed in principle to provide 150,000 tons (brown basis) of rice to Japan in partial repayment in-kind of an outstanding rice loan made by Japan to Korea in 1969 and 1970. Very low stocks of rice for processing in Japan forced the government to negotiate for rice imports to cover processing needs in August and September before new crop rice becomes available. Japan's supply of edible rice is reported to be very tight as well, so imports of high quality rice may also be required in the coming months. Long-term weather reports are forecasting cool weather in September which could reduce the output of the current crop, exacerbating the problem of low stock levels and forcing possibly large imports of rice next year.

**Bangladesh: Although recent trade delegation visits to Burma and Thailand were expected to generate some sales, total purchases of 465,000 tons came as a surprise. Recent flooding in Bangladesh reportedly has destroyed an undetermined amount of paddy rice, and the government apparently has decided to take advantage of low Thai prices to build-up stocks. Bangladesh had been expected to import only about 240,000 tons of rice in calendar year 1984, but the current purchases are scheduled for delivery by the end of August. It is not yet clear whether additional imports will be needed later in the year.

**Syria: In mid-June, GEZA, the Syrian Foreign Trade Organization for Chemicals and Foodstuffs, contracted for 48,000 tons of Thai 5% broken rice at $279-284 C&F. Reportedly, contracts on half the amount were subsequently cancelled and a new tender for 24,000 tons is expected to be held July 16.

**Mexico: Under the June 26 tender, CONASUPO apparently purchased 20,000 tons of Thai 15% broken rice at $269 per ton C&F. Later reports suggested that the contract was cancelled, but it is not known if CONASUPO plans to re-tender again soon.

MARKET OPPORTUNITIES

**Syria: A tender will be held on July 16 for 24,000 tons of long, medium or short grain rice, 5 percent brokens.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Unexpectedly large purchases by Bangladesh helped strengthen prices in Bangkok, with Thai Board of Trade (BOT) posted prices rising by $10 per ton for all qualities. On June 28, the posted price for both 100% B and parboiled 5% was $270 per ton. Actual selling prices were reported at $260 per ton for 100% B and $255 for parboiled 5%, although the tight supply of low and medium quality rice could also place some additional upward pressure on the price of high quality rice. Burma was also active last month with several sales to the private trade in addition to a large government-to-government sale to Bangladesh. Current prices for Burmese rice are reported to be $10-15 per ton higher than prices earlier in the year.

RECENT THAI RICE SALES

Destination	Quantity (1,000 MT) Current	Est. Cumulative 1/	Quality 2/	Price $/MT 3/	Delivery	Date of Report
Bangladesh	200.0		P25%	235	Jun/Aug	6/14
	75.0		P25%	230	Jun/Aug	6/14
	130.0		35%	232-235	Jun/Aug	6/14
	20.0	539.5	A-1 S	202-205	Jun/Aug	6/14
Cameroon	10.6	18.6	Spec. Mix	N/A	N/A	6/22
Congo	4.0	4.0	25%	N/A	N/A	6/22
Gabon	1.0	1.0	25%	N/A	N/A	N/A
Iran	60.0		F 100% B	N/A	N/A	Various
	85.0	340.0	100% B	N/A	N/A	Various
Ivory Coast	10.0	115.2	25%	N/A	N/A	6/15
Japan	4.0	11.5	A-1 S	N/A	Jun/Jul	6/15
Madagascar	20.0		A-1 S	N/A	N/A	5/25
	1.3		GL 10% LG	N/A	N/A	5/25
	10.0	115.4	A-1 S	N/A	N/A	6/22
Malaysia	6.0	306.1	100% B	N/A	N/A	6/22
Nigeria/W. Africa	54.5	70.5	P 5%	N/A	N/A	Various
Saudi Arabia	1.0		P100%	N/A	N/A	6/1
	3.3		P 100%	N/A	N/A	6/15
	1.2	20.6	5%	N/A	N/A	6/1
Senegal	25.0		A-1 Spec	N/A	N/A	6/15
	25.0	393.8	A-1 Spec	N/A	N/A	6/22
S. Africa	1.0	6.6	P 100%	N/A	N/A	6/25
Syria	24.0	60.0	100% C	284 4/	Jul/Sep	6/25
Turkey	3.5	3.5	P 100%	N/A	N/A	N/A
Turkey	3.5	3.5	P 100%	N/A	N/A	N/A

1/ For all qualitites for 1984 delivery.
2/ P=Parboiled, B/5% = Brown rice 5% brokens, etc., F=Fragrant
3/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
4/ C&F

N/A = not available

**Thailand: The export pace picked up again during the past month, as total exports through June 16 reached 2.08 million tons, nearly 36 percent more than the 1.53 million tons shipped during the corresponding period last year.

WEEKLY THAI RICE EXPORTS

Week Ending	Actual	4-Week Moving Avg.
May 26	118,218	83,062
June 2	89,344	88,655
June 9	96,724	94,507
June 16	86,097	97,596

With the large quantity of rice sold to Bangladesh and a good volume of sales to other countries during the last month, the resulting pressure on remaining unsold supplies could push prices sharply higher in the coming months before new crop rice becomes available. Thailand's export commitments for delivery in calendar year 1984 are now estimated at nearly 3.8 million tons against projected total exports of 3.9 million tons.

**Pakistan: The Rice Export Corporation of Pakistan (RECP) was quiet again last month, reflecting the low level of unsold stocks. By the end of May, RECP had procured only 1.11 million tons of rice compared to the 1.22 million tons acquired by the same date one year ago. In particular, basmati procurement was down due to a weather-reduced 1983/84 crop, and it appears that RECP may have already oversold basmati by at least 20,000 tons. A smaller IRRI rice crop in Sind province has also contributed to the current short supply, especially of the low and medium qualities. Export commitments for 1984 are currently estimated at about 1.0 million tons, compared to the total export forecast of 1.3 million tons.

**Burma: Last month, MEIC, the government import monopoly, sold 20,000 tons each of full-boiled 12 percent broken rice and 35 percent broken white rice to Bangladesh, as well as 30,000 tons of 25 percent and 10,000 tons of 35 percent to the private trade. Total export commitments are now estimated at about 860,000 tons. It appears that MEIC is now more-or-less sold out of 35 percent broken rice and further sales will likely be limited to the remaining small supplies of higher quality rice and brokens. Exports through the end of May are estimated at about 360,000 tons, nearly 90,000 tons more than the quantity shipped during the same period one year ago. Total exports for the calendar year are currently projected at 800,000 tons.

U.S. EXPORT EXPANSION ACTIVITIES

During June 17-25, the U.S. Rice Council sponsored a visit to the United States by a delegation from the Ivory Coast, headed by the Minister of Commerce. The team met with USDA officials to discuss Ivory Coast's rice import needs and U.S. export credit programs. The delegation also visited U.S. rice production areas and toured milling and storage facilities.

**GSM-102: An additional $17 million credit guarantee line was authorized for Iraq during the past month. As of June 29, the Commodity Credit Corporation (CCC) had available credit guarantees totaling $94.8 million. The outstanding credit lines were: Brazil ($15.0 million), Iraq ($26.5 million), Jamaica ($1.3 million), Mexico ($35.0 million), Peru ($10.0 million) and Portugal ($7.0 million).

**PL-480: New agreements were signed with Guinea for $5.0 million and with Yemen for $2.0 million. The following table outlines the current status of FY 1984 PL-480 Title I/III programs.

STATUS OF P.L. 480 TITLE I/III RICE PROGRAMS FOR FY 1984

Country	Allocation $Million	Agreement Signed	P.A. Issued	Tender Results			
				Date	TMT Purchased	Price $/MT FAS	Quality 1/
Completed							
El Salvador	1.2	X	X	12/22	4.4	271-272	MG
Liberia	15.0	X	X	1/09	42.1	336-344	LG, P
Bangladesh	15.0	X	X	1/11	55.7	269	MG
Madagascar	7.0	X	X	3/22	24.4	287	MG
Sierra Leone	1.0	X	X	3/26	3.4	294	MG
Indonesia	15.0	X	X	3/27	53.8	279	MG
Somalia	5.5	X	X	4/25	18.8	290-295	MG
Subtotal	59.7				202.6		
Pending							
Congo	2.0						
Guinea	5.0	X					
Jamaica	5.0						
Kenya	4.0						
Mauritius	2.2						
Peru	10.0						
Senegal	7.0						
Sudan	2.0						
Yemen	2.0	X					
Zambia	1.8						
Subtotal	41.0						
Total	100.7						

1/ No. 5/20 percent unless otherwise indicated, P=Parboiled, MG=Medium Grain, and LG=Long Grain.

PULSES

**Turkey: Exports of Turkish pulses in recent years have increased dramatically and 1984 exports are expected to increase again. While exports to the United States are not significant, Turkish lentils, and to a lesser extent white beans, compete directly with U.S. pulses in Algeria, Egypt, Western Europe and other markets. With lower cost of production, Turkish lentils have displaced U.S. lentils to the point where 1984 U.S. coverage is projected at only about 72,000 acres, down from 101,000 acres in 1983. Over 70 percent of U.S. lentil production is normally exported.

TURKISH PULSE EXPORTS
(1,000 TONS)

	CY 1983	Jan-Apr 1984	CY 1984 1/
Red And Green Lentils	371	136	400
Chick Peas	164	67	180
White Beans	29	17	40

1/ Forecast.

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250, Tel. (202) 447-2009.

U.S. WHEAT PROGRAMS

	1983 Program Equivalent Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Trigger Release Price	—	— 2/	—	—	—	—
Target Price	$195	$4.30	$198	$4.38	$198	$4.38
Loan (Reserve)	$171	$3.65	—	—	—	—
National Loan	$171	$3.65	$158	$3.30	$158	$3.30
Season Average Producer Price	$165	$3.50 3/	$154-$165	$3.20-$3.50	—	—
Current Farm Price	$170	$168-$3.58	—	—	—	—
Paid Diversion	$136	$2.70	$136	$2.70	$136	$2.70

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of June 25, 1984.

U.S. CORN PROGRAMS

	1982 Program Equivalent Export Price 1/ ($/Ton)	1982 Program Farm Price ($/BU)	1983 Program Equivalent Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)
Season Average Producer Price	$137	$2.68 2/	$159	$3.25	$104-$126	$2.65-$3.20
Trigger Release Price	$156	$3.15	—	— 2/	—	—
Current Farm Price	—	—	$166	$3.42	—	—
Target Price	$138	$2.70	$144	$2.86	$151	$3.03
National Loan	$132	$2.55	$136	$2.65	$132	$2.55
Loan (Reserve)	$146	$2.90	$136	$2.65	—	—
Paid Diversion	—	—	$91	$1.50	—	—

1/ Estimated equivalent, adjust from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of June 25, 1984.

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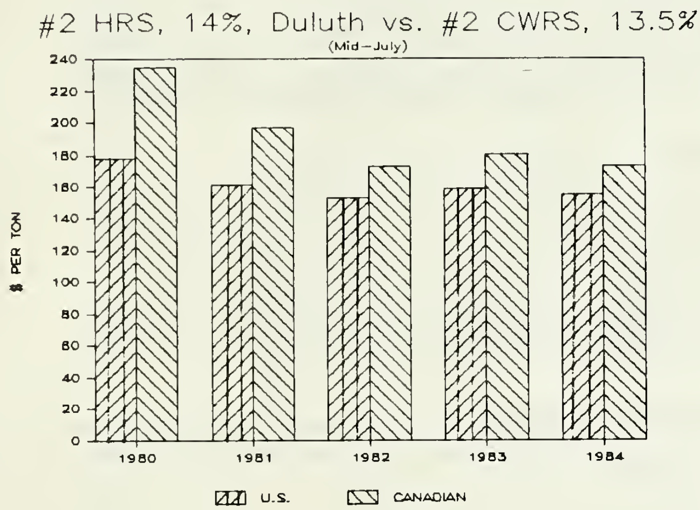
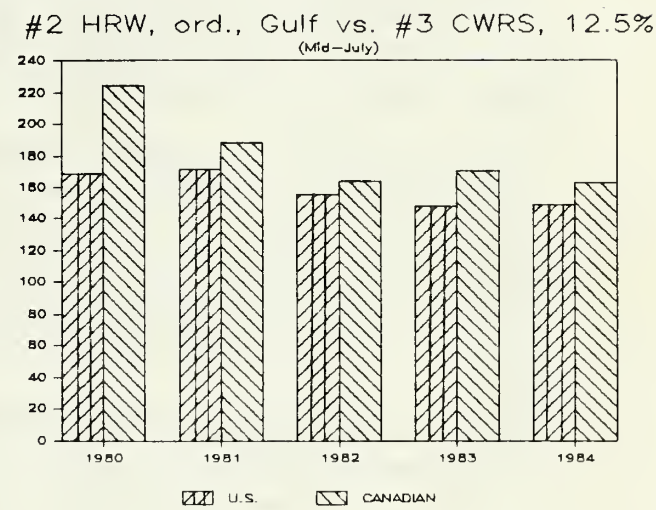
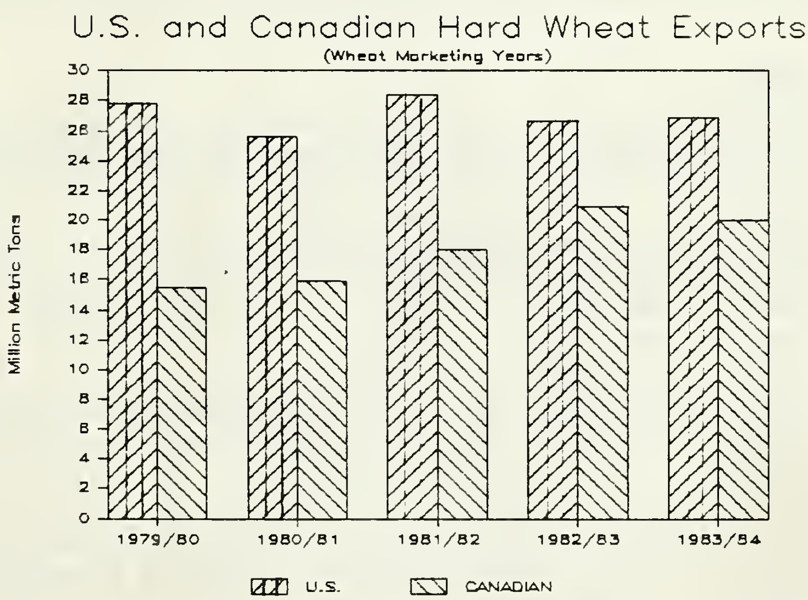
FG-7-84
JULY 1984

EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES

COMPETITIVENESS OF U.S. WHEAT ON THE WORLD MARKET







EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES
July 27, 1984

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HIGHLIGHTS

The U.S. wheat export forecast for 1984/85 was raised to reflect stronger world demand, particularly from the Soviet Union. However, other major importers are expecting near record wheat harvests, which could dampen prospects for additional U.S. wheat sales. The U.S. coarse grain export forecast was lowered because of weaker demand in key markets where other feed grains and feed wheat continue to substitute for corn, and keen competition among other coarse grain exporting countries. Africa and the Middle East continue to be drought-stricken and could look to the United States for much needed supplies of feed grains. Prospects for U.S. rice exports remain unchanged, but strengthening world prices and tightening stocks in other major exporting countries could help the United States become more competitive.

Major developments affecting U.S. exports over the past month include:

--Soviet purchases of wheat were significant for the first time since January, and put U.S. sales ahead of last year's pace.

--Spain has indicated it would like to export large quantities of both wheat and barley to avoid a domestic glut.

--Major foreign exporters are finding new wheat markets in countries like Peru and Jordan.

--Saudi Arabia is nearing self-sufficiency in wheat production, and imports in 1984/85 are expected to continue their decline of the past few years.

--Approximately $90 million of Commodity Credit Corporation stocks of wheat, corn and rice have been sold to U.S. exporters for resale to drought-stricken Africa.

--Mexico's imports of U.S. sorghum in 1983/84 continue strong due to poor harvest prospects and attempts to build stocks.

--Algeria's demand for feedgrains is growing rapidly due to larger livestock numbers. Additional imports of feedgrains from the United States are possible.

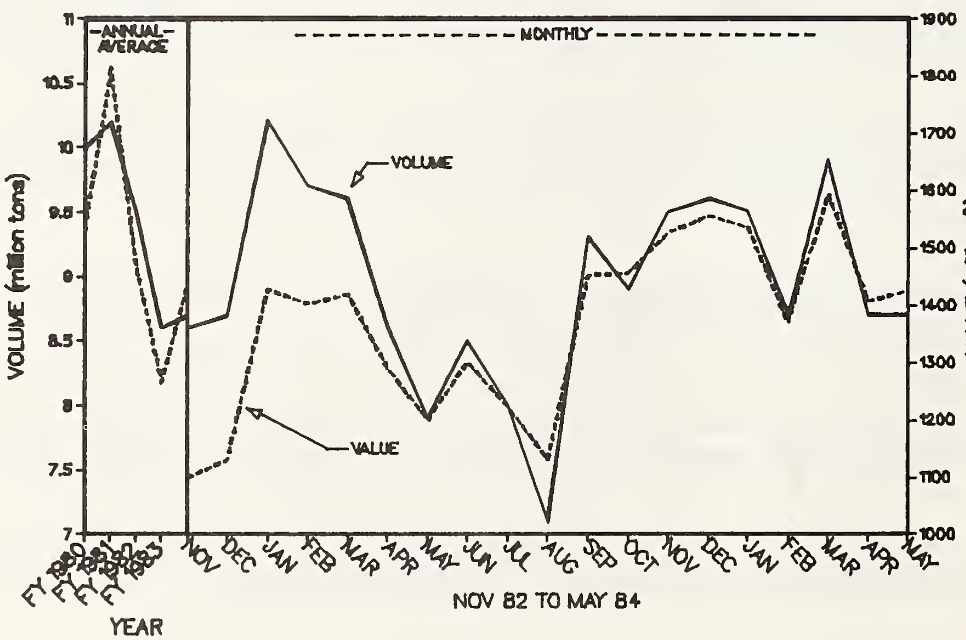
--U.S. corn is becoming more price competitive in South Africa because of unexpected storage costs for recently imported feed wheat.

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1983 AND COMPARISON WITH PRECEEDING YEAR

	MAY FY 83	MAY FY 84	CUMULATIVE OCT THRU MAY FY 83	CUMULATIVE OCT THRU MAY FY 84	ACTUAL EXPORTS FY 83	PROJECTED EXPORTS FY 84
WHEAT (grain only)						
Quantity (1000 tons)	2,619	3,070	24,798	24,622	36,699	37,700
Value Per Ton (dollars)	163	158	162	160	161	162
Value (in million dollars)	427	486	4,013	3,934	5,910	6,107
CORN (grain only)						
Quantity (1000 tons)	3,770	4,133	33,514	34,776	47,105	47,830
Value Per Ton (dollars)	132	153	113	150	121	150
Value (in million dollars)	498	632	3,800	5,208	5,717	7,175
SORGHUM (grain only)						
Quantity (1000 tons)	218	374	3,629	4,280	5,403	5,715
Value Per Ton (dollars)	138	134	116	137	122	136
Value (in million dollars)	30	50	422	586	660	777
BARLEY, OATS, AND RYE (grain only)						
Quantity (1000 tons)	46	81	452	1,451	973	2,260
Value Per Ton (dollars)	109	160	111	139	121	139
Value (in million dollars)	5	13	50	202	118	314
TOTAL COARSE GRAINS (grain only)						
Quantity (1000 tons)	4,034	4,588	37,595	40,507	53,481	55,805
Value Per Ton (dollars)	132	151	114	148	121	148
Value (in million dollars)	533	695	4,272	5,996	6,496	8,266
RICE (grain only)						
Quantity (1000 tons)	192	200	1,292	1,407	2,209	2,100
Value Per Ton	385	365	402	416	396	420
Value (in million dollars)	74	73	520	586	874	882
PULSES						
Quantity (1000 tons)	32	34	341	290	457	425
Value Per Ton (dollars)	375	441	411	462	416	440
Value (in million dollars)	12	15	140	134	190	187
FLOUR AND OTHER GRAIN PRODUCTS						
Quantity (1000 tons-gr. equiv)	338	304	1,929	1,883	3,499	2,600
Value Per Ton (dollars)	163	207	199	206	165	211
Value (in million dollars)	55	63	383	387	579	550
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS						
Quantity (1000 tons)	607	494	4,641	4,739	6,991	7,000
Value Per Ton (dollars)	161	188	164	175	164	178
Value (in million dollars)	98	93	759	827	1,145	1,250
TOTAL VOLUME (in thousand tons)	7,822	8,690	70,596	73,448	103,337	104,186
TOTAL VALUE (in million dollars)	1,199	1,425	10,087	11,864	15,194	17,242

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. The forecast for June-May 1984/85 wheat exports, excluding 2.0 million tons of flour and products, has been raised by 1.4 million tons to 36.1 million tons, as early season import demand remains strong.

Shipments and Sales. Shipments of U.S. wheat for the 4-week period ending July 19 were down 10 percent from the previous period, but remained even with last year's rate. Sales, however, jumped by 30 percent over the previous 4-week period, and were more than double the rate of the comparable period for last year as the Soviets and Chinese bought heavily in recent weeks. Cumulative sales in 1984/85 are now more than 40 percent ahead of last year's pace.

IMPORTER BUYING ACTIVITY

Buying activity picked up again in July with large purchases of U.S. wheat from the USSR and China. Brazil continues to be a major buyer of U.S. wheat, and Peru purchased Canadian wheat for the first time in recent years.

U.S. MARKET OPPORTUNITIES

** Israel: Israel's wheat imports are expected to increase 40 percent in 1984/85 due to a shortfall in the domestic wheat crop. A severe drought in the early months of 1984 reduced wheat production to the lowest level in 18 years (120,000 tons). Imports for the 1984/85 marketing year (Oct-Sep) are expected to reach 700,000 tons.

** USSR: Late June and early July saw the Soviet Union purchase over 2 million tons of U.S. wheat for nearby shipment. This marks the first significant U.S. wheat sales to the USSR since January 1984. Developing concern about the 1984 Soviet wheat crop and recent heavy buying activity from a number of origins point to bright prospects for U.S. sales to the Soviets from the 1984 U.S. wheat crop.

RECENT WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN JUNE 28, 1984 AND JULY 25, 1984

Approx. Date Of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per Ton)	Delivery Period
7/5	Brazil	U.S.	33,000	HRW 11%	153.72	Sept-Oct
7/12	Brazil	U.S.	198,000	HRW 11%	150.00 @ 152.00	Sept-Oct
7/18	Brazil	U.S.	33,000	HRW 11%	151.39	Oct
7/17	Chile	U.S.	26,000	White	135.50	Aug
7/17	China	U.S.	300,000	SRW	?	
7/18	China	U.S.	120,000	SRW	?	
7/19	Cyprus	U.S.	25,000	Durum	?	Oct
7/23	Ecuador	U.S.	26,000	HRW 12%	145.29 C&F	Aug
7/23	Ecuador	U.S.	52,500	HRW 12%	175.27 C&F	Sept-Oct
7/23	Egypt	U.S.	50,000	White	133.98 @134.74	Aug
7/23	Egypt	U.S.	50,000	SRW	?	Aug
6/28	Haiti	U.S.	47,889	Hd Spg 14%	Various	Jul-Aug
6/28	Korea	U.S.	43,500	White, HRS	Various	Jul-Aug
7/6	Korea	U.S.	49,500	White,HRS,HRW	Various	Aug-Sept
7/11	Korea	U.S.	47,500	White,HRS,HRW	?	Sept
7/13	Korea	U.S.	57,500	White,HRS,HRW	Various	Sept-Oct
7/19	Korea	U.S.	45,000	White,HRS,HRW	Various	Sept-Oct
7/30	Korea	U.S.	23,500	White,HRS,HRW	Various	Oct
7/11	Lebanon	U.S.	85,000	HRW	168.00 C&F	Aug-Oct
7/10	Norway	Canada	25,000	Spring Wheat	?	Aug
7/9	Peru	Canada	50,000	Spring Wheat	145.00	July-Aug
7/13	Peru	Canada	25,000	Spring Wheat	148.50	July-Aug
7/6	Philippines	U.S.	25,000	HRS 14%	201.27 C&F	Aug
7/19	Philippines	U.S.	25,000	HRS 14%	175.15	Sept
7/12	Sri Lanka	Canada	50,000	Spring Wheat	163.66 C&F	July-Sept
7/16	Syria	U.S.	100,000	SRW	?	Sept
7/16	Syria	U.S.	200,000	HRW	?	Sept
7/10	Taiwan	U.S.	27,000	White,HRS,HRW	Various	July
7/12	Tunisia	U.S.	150,000	SRW	150 @ 152 C&F	July-Sept
7/12	Tunisia	U.S.	28,753	#3 HAD	Various	Aug
7/13	Tunisia	U.S.	100,000	#3 HAD	177.00 C&F	Aug-Sept
6/29	USSR	U.S.	200,000	HRW	?	
7/2	USSR	U.S.	550,000	HRW	?	
7/3	USSR	U.S.	250,000	HRW	?	
7/3	USSR	U.S.	200,000	HRW	?	
7/4	USSR	U.S.	225,000	HRW	?	
7/5	USSR	U.S.	325,000	HRW	?	
7/6	USSR	U.S.	200,000	HRW	?	
7/6	Zaire	U.S.	10,000	HRW 12%	150.70	July-Aug

1/ HRW-Hard Red Winter, HRS-Hard Red Spring, SRW-Soft Red Winter, HAD-Hard Amber Durum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY—MILLION TONS)

Monthly Shipments

4 Weeks Ending	1982/83	1983/84
March 22	3.5	2.5
April 19	2.8	2.9
May 17	2.5	2.5
Total for MY..........	38.2	35.5
	1983/84	1984/85
June 21	2.4	3.3
July 19	2.9	3.0
Cumulative for MY.......	5.0	4.9

Monthly Sales 2/

4 Weeks Ending	1982/83	1983/84
March 22	2.0	1.9
April 19	2.7	2.5
May 17	2.3	3.0
Total for MY..........	40.2	41.7
	1983/84	1984/85
June 21	2.8	3.7
July 19	2.3	4.8
Cumulative for MY	10.4	14.7

Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending July 12................	0.8	28.1
Week Ending July 19................	0.7	26.8
Official Estimate for Current MY (Grain only)......................	36.1	1325
Implied Weekly Average............	0.7	25.5
Latest Six Weeks Weekly Average.....................	0.7	26.9
Marketing Year-To-Date Weekly Average.....................	0.7	26.1
Weekly Avg. Extrapolated Annually..	36.9	1357
Balance of Year to Achieve Estimate Implied Weekly Average............	0.7	25.4

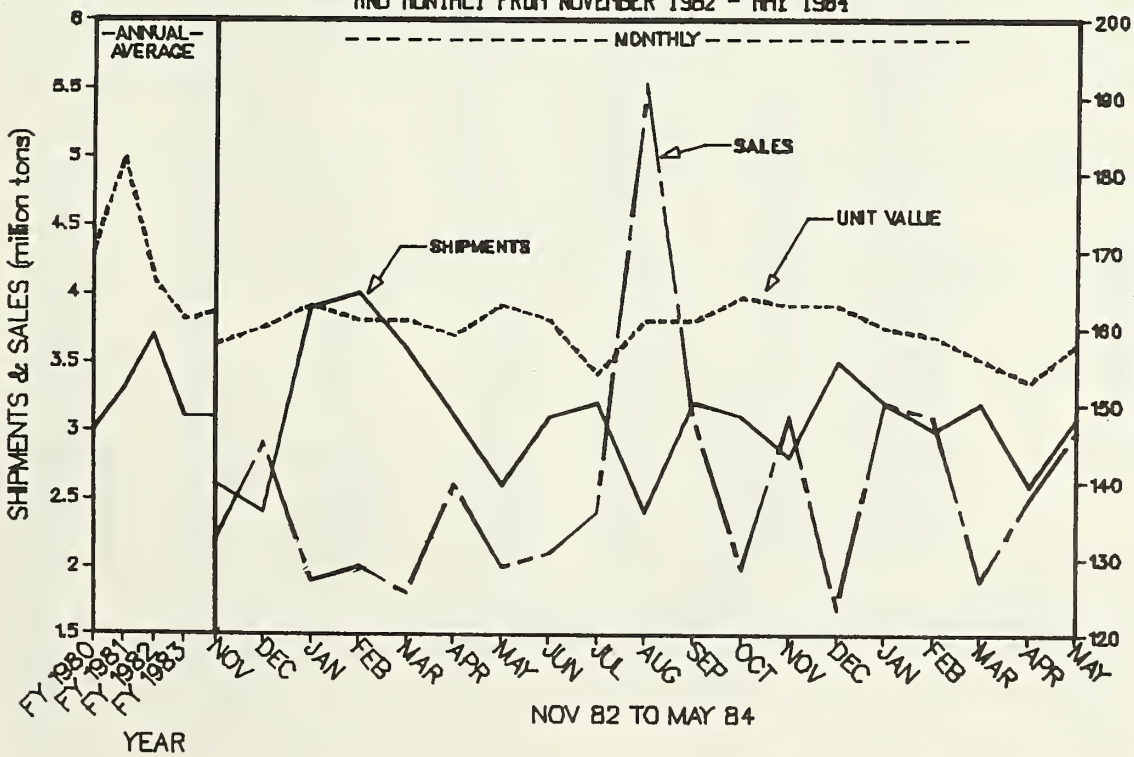
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(JULY/JUNE—MILLION TONS)

	Canada		Australia		Argentina		France 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
March 22	1.4	.8	.7	1.5	1.6	1.4	1.0	.7	4.7	4.4
April 19	1.7	1.1	.7	1.4	.8	.8	.9	.8	4.1	4.1
May 17	2.3	1.2	.2	1.1	.5	.5	.8	.4	3.8	N/A
June 21	2.5	2.4	.1	1.4	.6	.3	.7	N/A	3.9	N/A
Total for Season 3/	21.2	20.5	8.1	12.0	7.4	9.6	10.0	10.0	46.7	52.7
4 Weeks Ending 1/	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
July 19	2.1	N/A	.3	N/A	.7	N/A	.3	N/A	3.4	N/A
Total for Season	20.5	21.0	12.0	14.0	9.7	7.3	10.5	11.0	52.7	53.3

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1984/85.
* Denotes less than 50,000 tons.

U.S. WHEAT SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM NOVEMBER 1982 - MAY 1984

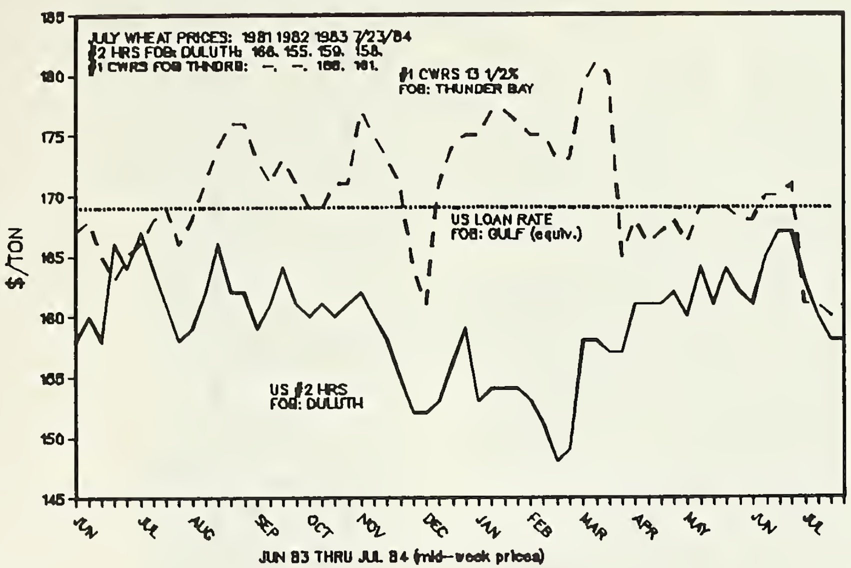


U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1981/82-1982/83; COMMITMENTS TO DATE FOR 1983/84 WITH COMPARISON TO 1982/83
(JUNE/MAY--1,000 TONS)

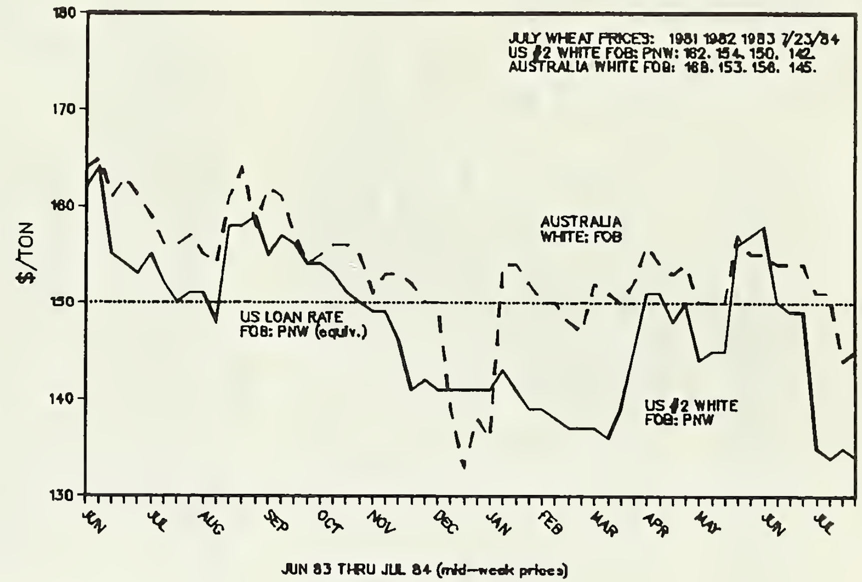
Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1982/83	3	1,162	35	53	495	1,748
	1983/84	3	1,218	2	—	263	1,491
	1983/84*	—	311	3	—	92	406
	1984/85**	—	99	·2	—	37	138
Other W. Europe	1982/83	343	95	289	4	7	738
	1983/84	795	32	411	16	49	1,302
	1983/84*	96	13	97	—	18	223
	1984/85**	274	1	60	—	3	338
Eastern Europe	1982/83	—	—	122	—	74	196
	1983/84	—	—	283	—	72	355
	1983/84*	23	—	301	—	22	346
	1984/85**	—	—	—	—	—	—
USSR	1982/83	3,374	—	—	—	—	3,374
	1983/84	4,141	—	—	—	—	4,141
	1983/84*	—	—	—	—	—	—
	1984/85**	2,166	—	—	—	—	2,166
China	1982/83	386	—	4,938	—	—	5,324
	1983/84	1,368	—	1,549	—	—	2,917
	1983/84*	32	—	42	—	—	73
	1984/85**	106	—	2,703	—	—	2,809
Japan	1982/83	1,266	987	20	1,049	—	3,322
	1983/84	1,287	1,010	—	1,126	12	3,435
	1983/84*	338	337	—	327	—	1,002
	1984/85**	302	294	—	290	—	886
India	1982/83	2,480	—	—	1,405	—	3,885
	1983/84	198	—	—	968	—	1,166
	1983/84*	198	—	—	—	—	198
	1984/85**	—	—	—	—	—	—
Taiwan	1982/83	309	195	—	170	—	674
	1983/84	245	185	—	130	—	561
	1983/84*	102	73	—	65	—	140
	1984/85**	125	57	—	55	—	237
Rep. of Korea	1982/83	605	162	—	990	—	1,757
	1983/84	649	221	2	1,179	—	2,051
	1983/84*	25	52	—	292	—	520
	1984/85**	255	85	—	419	—	729
Other Asia, Middle East, and Oceania	1982/83	2,554	1,858	833	568	1	5,814
	1983/84	2,288	1,232	258	1,222	21	5,021
	1983/84*	1,126	440	179	655	—	2,401
	1984/85**	1,184	401	91	599	—	2,275
Egypt	1982/83	—	—	397	1,331	—	1,728
	1983/84	—	—	539	807	—	1,346
	1983/84*	—	—	127	37	—	164
	1983/84**	—	—	—	242	—	242
Nigeria	1982/83	918	242	81	—	—	1,241
	1983/84	1,278	265	88	—	—	1,631
	1983/84*	256	27	29	—	—	312
	1984/85**	151	20	10	—	—	181
Other Africa	1982/83	611	95	1,086	—	666	2,458
	1983/84	471	7	1,876	45	844	3,242
	1983/84*	496	30	778	37	313	1,654
	1984/85**	175	21	1,091	—	189	1,843
Brazil	1982/83	2,113	—	—	—	—	2,113
	1983/84	2,181	—	66	—	—	2,247
	1983/84*	1,369	—	66	—	—	1,434
	1984/85**	1,192	—	—	—	—	1,192
Other W. Hemis.	1982/83	2,172	1,464	559	8	271	4,474
	1983/84	2,223	1,477	514	48	296	4,558
	1983/84*	2,336	602	301	2	132	3,374
	1984/85**	1,898	586	231	81	127	2,922
Total 1/	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1983/84	17,128	5,647	5,593	5,541	1,556	35,464
	1983/84*	4,854	1,885	1,710	1,117	786	10,351
	1984/85**	6,639	1,520	4,637	1,316	556	14,667
MY Projection 2/		19,486	7,865	2,476	5,824	2,830	38,481

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1984/85, including flour and products.
* Sales plus accumulated exports as of July 21, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of July 19, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

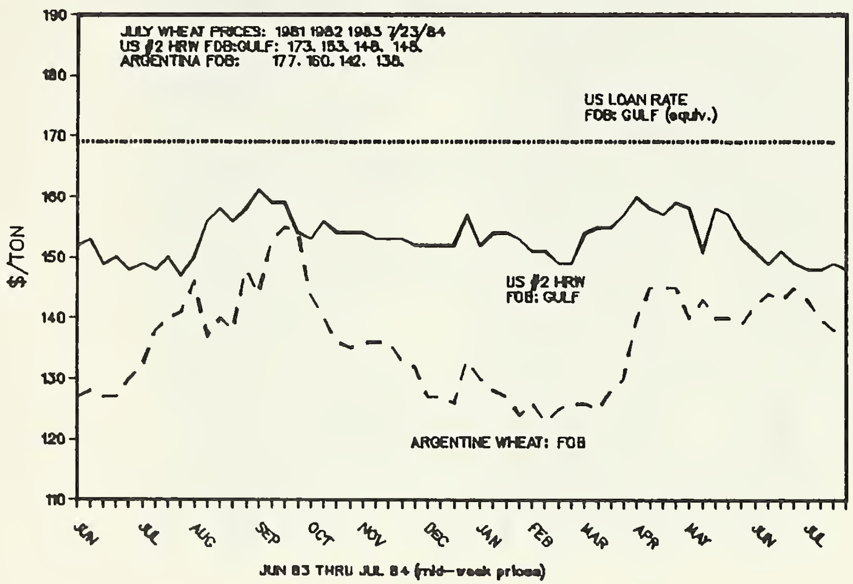
HARD RED SPRING WHEAT EXPORT PRICES
U.S. AND CANADIAN



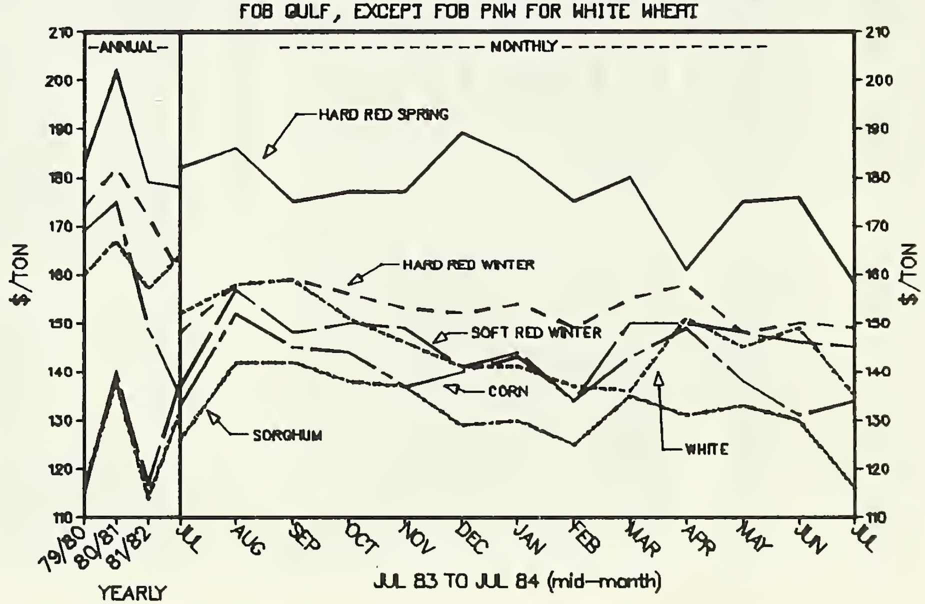
WHITE WHEAT EXPORT PRICES
U.S. AND AUSTRALIAN



HARD RED WINTER WHEAT EXPORT PRICES
U.S. AND ARGENTINE



U.S. GRAIN COMMODITY EXPORT PRICES
FOB GULF, EXCEPT FOB PNW FOR WHITE WHEAT



OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**Spain: The Spanish Ministry of Agriculture's Farm Commodity and Price Stabilization Agency, FORPPA, has been given permission from the Spanish government to export 500,000 tons of wheat from its 1984/85 harvest. A 40 percent increase in wheat production this year to nearly 6.0 million tons necessitated the request to avoid a market glut and corresponding low prices. In recent years, Spain has been both an importer and exporter of wheat, importing hard wheats for blending and exporting domestically produced soft wheat, depending on harvest prospects. Spain would like to ship the wheat prior to its own harvest to obtain the highest price for its farmers. However, Spain will face stiff competition on the world market, particularly from subsidized EC wheat, and would incur high costs to subsidize wheat exports since domestic wheat prices are presently about $140 per ton.

SPANISH WHEAT: SUPPLY AND DEMAND
(1,000 TONS)

	Production	Imports	Exports	Consumption	Stocks
1980/81	6,039	335	977	4,450	2,425
1981/82	3,408	180	246	4,105	1,662
1982/83	4,410	126	648	4,550	1,000
1983/84	4,330	193	40	5,200	283
1984/85 (Forecast)	6,000	50	500	5,500	733

**Canada: The Canadian Wheat Board recently announced a 1.4-million-ton wheat sale to China for shipment beginning August 1984. A sale at this time of year is not unusual as Canadian new crop supplies become available in August. However, this sale is well below the 2.1 million tons sold to China last year at this time and the 2.5 million tons sold at this point in 1982. China may be purchasing smaller quantities due to record 1983 total grain production and reports of subsequent storage and transportation problems. The Chinese-Canadian grain agreement stipulates 3.5-4.2 million tons of grain trade annually (Aug-July). Canada exported 4.4 miillion tons of wheat to China in Aug-July 1982/83, and is expected to export the minimum 3.5 million tons in 1983/84.

**Australia: Australia sold 25,000 tons of hard wheat to Jordan, the first time they have sold wheat to that market in over 30 years. The purchase for August delivery was likely the result of the Australian Wheat Board (AWB) promotion efforts, which included a seminar in Amman for the Jordanian Ministry of Supply and Jordanian flour millers, and an AWB stand at the recently held Australian Trade Display. Jordan's wheat imports have averaged about 330,000 tons over the last five years, with the United States accounting for about 60 percent of the total.

Competitive Developments in Selected Foreign Markets

**Peru: The United States is facing increasing competition in the Peruvian wheat market from Canada and Argentina. Despite competitive U.S. offers and available GSM-102 credit quarantees, Peru recently purchased 75,000 tons of Canadian Western Red Spring wheat, their first purchase from Canada since July-June 1979/80. The Canadians issued a credit line of $16 million covering 95 percent of the f.o.b. value of the wheat, which was apparently attractive enough to encourage these recent sales. Canada had exported as much as 161,000 tons to Peru in 1973/74, but the United States has been supplying about 65 percent of Peru's wheat import needs since 1979/80.

Prior to the Canadian sales, the United States had been facing increased competition in Peru from Argentina. Argentina exported 176,000 tons of wheat to Peru in 1982/83 from its record 1982 crop, and in 1983/84 a record 300,000 tons was shipped despite problems Argentina had in establishing a line of credit. Peru's wheat import requirements have reportedly stabilized at about 1 million tons annually.

Internal Price Policies of Foreign Countries

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis. For example, in terms of quality differentials, the Canadian price is set for No. 1 CWRS, while No. 2 CWRS was discounted by approximately C$6 per ton and No. 3 CWRS by about C$11 per ton; No.1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

Exporter	1983/84 U.S.$ Equivalent		1983/84 Local Currency	1984/85 U.S.$ Equivalent		1984/85 Local Currency
	per bu	per ton	per ton	per bu	per ton	per ton
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.78	102	5,080 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	N/A	N/A	N/A (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate.
N/A = Not available.

**Saudi Arabia: A governmental decree that announced a goal of self-sufficiency in wheat production has achieved dramatic results in just three growing seasons. Wheat production in 1984/85 is estimated at 1.3 million tons, up from 187,000 tons in 1981/82. Correspondingly, Saudi wheat imports have decreased during the same period from almost 700,000 tons in 1981/82 to a forecast 75,000 tons in 1984/85. The United States, once a major supplier (400,000 tons in 1981/82), has not exported wheat to Saudi Arabia since 1982/83.

However, the drive toward self-sufficiency has not been without great cost. The Grain Silos and Flour Mills Organization (GSFMO) budget for wheat procurement was exceeded in 1983/84 by approximately $295 million, requiring a supplemental allocation. Saudi wheat farmers receive $997 for each ton of wheat produced, but this past season initially received payment for only the first 25 tons, and 2/3 payment for each ton in excess of that amount until the supplemental budget was approved. Indications from Riyadh are that this problem will be exacerbated this season because of another large harvest, and wheat producers will initially receive only one-half of the subsidized price, and the balance 8-10 months later at the end of the Saudi fiscal year. The GSFMO of Saudi Arabia reports that domestic production of wheat continues to outpace construction of storage facilities. The Saudi Arabian Agricultural Bank and the GSFMO are jointly working toward solutions to both problems.

SAUDI ARABIAN WHEAT IMPORTS
(JULY-JUNE--1,000 TONS)

Origin	1975/76	1976/77	1977/78	1978/79	1979/80	1980/81	1981/82	1982/83	1983/84 1/
E.C.	185	122	283	228	658	80	76	7	--
Australia	88	64	130	107	168	168	109	213	86
Argentina	--	--	--	--	--	46	--	92	11
Canada	10	1	--	5	7	--	--	26	--
U.S.	309	262	363	341	540	470	498	349	--
Other	--	--	--	--	2	13	--	13	--
TOTAL	592	449	776	681	1,375	777	682	700	200 2/

1/ Shipments through May.
2/ Projected total.

U.S. EXPORT EXPANSION ACTIVITY

**PL-480:

U.S. WHEAT/WHEAT FLOUR TRADE UNDER PL-480 WITH SELECTED COUNTRIES *
(1,000 TONS)

	FY 1983		FY 1984
	Exports Under PL-480	Total Exports	Agreements Signed 1/
Bangladesh	228	803	197
Bolivia	137	137	60
Costa Rica	70	85	127
Dominican Republic	—	209	19
Egypt	1,474 2/	3,536	1,525 2/
El Salvador	131	135	132
Haiti	40	117	47
Honduras	71	107	72
Indonesia	83	914	88
Jamaica	40 2/	84	49
Morocco	194	1,320	269
Peru	68	863	65
Sierra Leone	3	31	11
Somalia	23 2/	34	28 2/
Sri Lanka	155	216	150
Sudan	297 2/	480	182 2/
Tunisia	56	378	37
Yemen	--	255	5 2/
Zaire	60 2/	73	58 2/
Zambia	17	37	17
TOTAL	3,147	9,814	3,138

* Transactions under Title I and III.
1/ Approximate quantities based on dollar value of agreements.
2/ Includes grain equivalent of flour.

**GSM-102

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES
UNDER CCC GUARANTEE AND CREDIT PROGRAMS *

	FY 1983		FY 1984		
	Total Exports	Estimated Exports Under CCC Programs	Announced	Approved	Estimated Quantity Yet To Be Purchased
	-----------1,000 Tons--------		--Million Dollars--		------1,000 Tons------
Bangladesh	803	300	45	0	300
Brazil	2,186	2,575 1/	445	287	1,055
Chile	1,000	675	85	47	255
Colombia	558	—	83	57	175
Costa Rica	85	20	--	—	--
Dominican Rep.	209	80	16	16	—
Ecuador	322	220	79	50	200
Egypt	3,536	1,750	95	0	630
Guatemala	131	120	18	15	15
Haiti	117	45	5	5	—
Iraq	1,086	1,400 1/	186	168	120
Jamaica	84	40	15	12	10
Korea	1,844	785	130	108	150
Morocco	1,320	1,350 1/	334	90	600
Nigeria	1,208	200	—	--	—
Peru	863	780	100	35	435
Philippines	978	105	84	69	100
Portugal	543	560 1/	117	100	115
Tunisia	378	300	133	59	490
Turkey	—	—	86	24	415
Yemen	255	345 1/	—	—	—
Yugoslavia	293	350 1/	--	—	--
TOTAL	17,799	12,000	2,056	1,142	5,065

* Includes GSM-102 and GSM-5.

Special Report: Resale of CCC Stocks to Drought-Stricken African Countries

Under the authority of House Joint Resolution 493, the Commodity Credit Corporation (CCC) has sold $89.4 million worth of corn, wheat, and rice to private exporters for re-sale to African countries hard-hit by severe drought. Nigeria will receive 387,518 tons of corn and 163,296 tons of wheat while 132,000 tons of rice (milled basis) will be divided among Benin, Mali, Upper Volta, Djibouti, and Guinea. Twenty-five African countries were eligible to participate.

Sales were made to private exporters on a competitive bid basis. The commodities were sold in store at the warehouse location and the exporters will pay all processing costs plus the cost of transportation to the importing country. Procedures have been established to ensure the commodities are not transshipped to other countries and that the exports are in addition to normal commercial purchases and existing food aid commitments.

CCC received bids for 513,518 tons of corn, 585,698 tons of wheat, and 481,044 tons of rice. The contract awards totaled $36,613,865 in corn, $21,720,000 in wheat, and $31,081,693 in rice based on CCC's acquisition cost.

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast: Although the export pace for corn has remained sluggish in recent weeks, estimated October-September 1983/84 U.S. corn exports, excluding about 430,000 tons of products, remain unchanged at 47.8 million tons. Continuing purchases by Mexico, Korea and Taiwan, and unexpected shipments to Kenya and neighboring countries where poor harvests are expected, could lend end-of-year strength to corn exports. The projection for 1984/85 corn exports has been reduced to 49.7 million tons as import demand prospects shrink in some key markets like Spain and the EC. The U.S. sorghum forecasts remain unchanged from last month at 5.7 and 5.1 million tons for 1983/84 and 1984/85, respectively. However, recent purchases by Mexico and Venezuela for end-of-year shipment could lead to an upward revision in the 1983/84 estimate.

Shipments and Sales: U.S. corn sales for the 4-week period ending July 19 continued to slide. Corn shipments were also down from last month, but the cumulative total remains at about last year's level. Sorghum sales and shipments picked up over last month's sluggish activity as key Latin American countries continue their strong import needs.

IMPORTER BUYING ACTIVITY

Recent corn buying activity has been unusually brisk for this time of year, particularly in light of relatively tight old-crop supplies. The USSR returned strongly to the U.S. corn market and Mexican purchases jumped appreciably compared to last month's sluggish activity. Mexico also continued to purchase U.S. sorghum for nearby delivery to offset impending shortfalls in domestic harvests.

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN JUN 28, 1984 AND JUL 25, 1984

Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per Ton)	Delivery Period 3/
6/28	Cyprus	U.S.	12,000	#2 YC	?	Aug-Sept
6/28	Egypt	U.S.	125,000	#2 YC	?	July
7/11	Greece	France	32,000	#2 YC (France)	?	July
7/9	Kenya	Thailand	?	Thai. Corn	166.00 C&F	Aug-Sept
7/11	Korea	U.S.	52,000	#3 YC	155.55	Aug
7/25	Korea	U.S.	55,000	#2 YC	158.73	Aug-Sept
7/5	Mexico	U.S.	125,000	YC	?	
7/6	Mexico	U.S.	115,000	YS	?	
7/6	Mexico	U.S.	327,000	#2 YC	?	Aug
7/6	Mexico	U.S.	225,000	#2 YS	?	July-Aug
7/25	Mexico	U.S.	376,000	#2 YC	?	Sept
7/11	Taiwan	U.S.	333,000	YC	Various	July-Oct
7/11	Taiwan	U.S.	108,000	YC	?	
7/12	Taiwan	U.S	135,000	YC	?	
7/12	Tunisia	U.S.	68,701	#3 YC	Various	July-Sept
7/17	USSR	U.S.	350,000	YC	?	
7/18	USSR	U.S.	550,000	YC	?	
7/19	USSR	U.S.	401,600	YC	?	
7/20	USSR	U.S.	375,000	YC	?	
7/20	USSR	U.S.	101,600	YC	?	
7/21	USSR	U.S.	100,000	YC	?	
7/23	USSR	U.S.	212,080	YC	?	
7/24	USSR	U.S.	400,000	YC	?	
7/19	Venezuela	U.S.	61,000	YC	148.80 @ 144.98 C&F	Oct-Dec

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

MARKET OPPORTUNITIES

**Mexico: A recent sorghum purchase by CONASUPO will result in larger than expected sorghum imports for the 1983/84 marketing year. Poorer crop prospects in Tamaulipas, which is the main spring/summer sorghum growing area, the substitution of sorghum for corn in feed rations, and a move to rebuild stocks are the major factors responsible for the increased demand. Mexican sorghum purchases this year now total about 2.9 million tons, of which 2.6 is from the United States and the balance from Argentina.

**Algeria: The National Office of Animal Feeds (ONAB) in Algeria plans to expand feed production to 2.5 million tons by 1989 in an effort to reduce the growing imports of animal products. Feed grain import requirements are growing rapidly as Algeria strives to become self-sufficient in egg production and imports are projected to reach 1.2 million tons in the next five years. In 1983/84 (Oct-Sept), Algeria has purchased 300,000 tons of corn from the United States, but mounting pressures for ONAB to keep pace with growing demand could trigger additional feedgrain imports in the remaining months of 1983/84 and in 1984/85.

**South Africa: Imports of feed wheat bought from Australia a few months ago are arriving at too fast a pace for the domestic feed industry to handle. Consequently, the wheat has had to be stored at ports. Additional storage costs for this wheat will increase its cost to feed compounders, making it less attractive vis a vis U.S. corn. As a result, demand for U.S. corn could pick up and additional sales could take place. The current estimate of 1983/84 (Oct-Sept) U.S. corn exports to South Africa is 2.7 million tons.

**USSR: Over the past two weeks the Soviets have purchased over 2 million tons of U.S. corn for delivery starting Oct. 1, 1984, the second year of the new Long Term Agreement. This marks the first significant Soviet corn purchases from the United States since late March 1984. All of the recent purchases have been for delivery early in the 1984/85 corn marketing year. With continued concern about the 1984 Soviet coarse grain crop, prospects for U.S. sales are bright.

U.S. CORN AND SORGHUM EXPORTS BY DESTINATION
(OCTOBER/SEPTEMBER--1,000 TONS)

Destination	1980/81	1981/82	1982/83 Actual Exports	1982/83 Committed as of 7/19/83 1/	1983/84 Committed as of 7/19/84 1/
CORN					
EC	9,185	6,997	4,033	3,531	2,787
Other W. Europe	5,503	6,579	5,190	4,887	4,301
Eastern Europe	6,741	3,607	1,471	1,470	581
USSR	4,947	7,499	3,208	3,208	6,050
China	725	1,117	2,175	2,174	--
Japan	12,586	10,588	14,524	15,029	15,586
Taiwan	1,502	1,718	2,971	2,961	2,729
Rep. of Korea	2,304	2,690	3,815	3,740	2,798
Egypt	1,129	1,348	1,638	1,401	1,232
Canada	1,050	800	720	320	134
Mexico	3,832	554	4,305	4,077	2,233
Venezuela	692	414	841	828	1,012
Others	9,075	6,029	3,102	4,372	6,744
Total	59,749	49,940	47,993	47,998	46,187
SORGHUM					
Spain	179	790	149	149	317
Other W. Europe (excluding Spain)	595	540	286	263	135
Japan	2,725	2,437	926	791	1,560
Israel	449	368	432	400	645
Mexico	2,647	544	3,196	2,944	2,670
Venezuela	501	713	231	183	277
Others	606	898	501	491	543
Total	7,702	6,290	5,721	5,221	6,147

1/ Accumulated shipments and sales, excluding sales for next marketing year.
Source: U.S. Census for 1980/81-1981/82 and U.S. Export Sales for 1982/83-1983/84.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Internal Price Policies of Foreign Countries

**Dominican Republic: The government of the Dominican Republic is encouraging local corn production through an increase of 64 percent in the support price. Despite the new price of US$3.66 per bushel, it is doubtful that production will catch up to rising demand, since most increases in production are expected to come from small farmers and livestock producers who use their corn directly. A fourfold increase in swine numbers since last year is exerting great pressures on feed supplies, and spot shortages occurred last spring prior to the arrival of P.L. 480 corn from the United States. Since the Dominican Republic is short on foreign exchange, credit will continue to play an important role in maintaining corn imports at the growth levels demonstrated over the past few years.

U.S. CORN EXPORTS TO THE DOMINICAN REPUBLIC
(1,000 TONS)

	P.L. 480	GSM-102	Other Commercial	Total
1982/83	53	86	71	210
1983/84 (Prelim.)	77	87	71	235
1984/85 (Forecast)	150	0	115	265

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTIONS 1/
(OCTOBER/SEPTEMBER--MILLION TONS)

Monthly Shipments

4 Weeks Ending	CORN 82/83	CORN 83/84	SORGHUM 82/83	SORGHUM 83/84
April 19	3.5	4.0	.2	.4
May 17	3.4	3.9	.1	.3
June 21	4.6	3.7	.4	.3
July 19	3.0	2.7	.2	.4
Cumul. in MY	40.0	39.9	4.3	5.0

Monthly Sales 2/

4 Weeks Ending	CORN 82/83	CORN 83/84	SORGHUM 82/83	SORGHUM 83/84
April 19	3.9	2.8	.5	.3
May 17	3.1	2.6	.3	.4
June 21	3.5	2.4	.4	.2
July 19	2.9	2.3	.4	.4
Cumul. in MY	52.5	50.9	5.4	6.7

Weekly and Annual Inspection Rates

	CORN MT	CORN BU	Sorghum MT	Sorghum BU
Week Ending July 12................	0.7	27.7	0.13	5.2
Week Ending July 19................	0.8	29.7	0.12	4.9
Official Estimate for Current MY				
(Grain only).......................	47.8	1883	5.72	225
Implied Weekly Average............	.9	36.2	.11	4.3
Latest Six Weeks				
Weekly Average....................	0.7	29.4	0.09	3.7
Marketing Year-To-Date				
Weekly Average....................	0.9	36.6	0.11	4.4
Weekly Avg. Extrapolated Annually..	48.4	1904	5.82	229
Balance of Year to Achieve Estimate				
Implied Weekly Average............	0.9	34.5	0.10	4.0

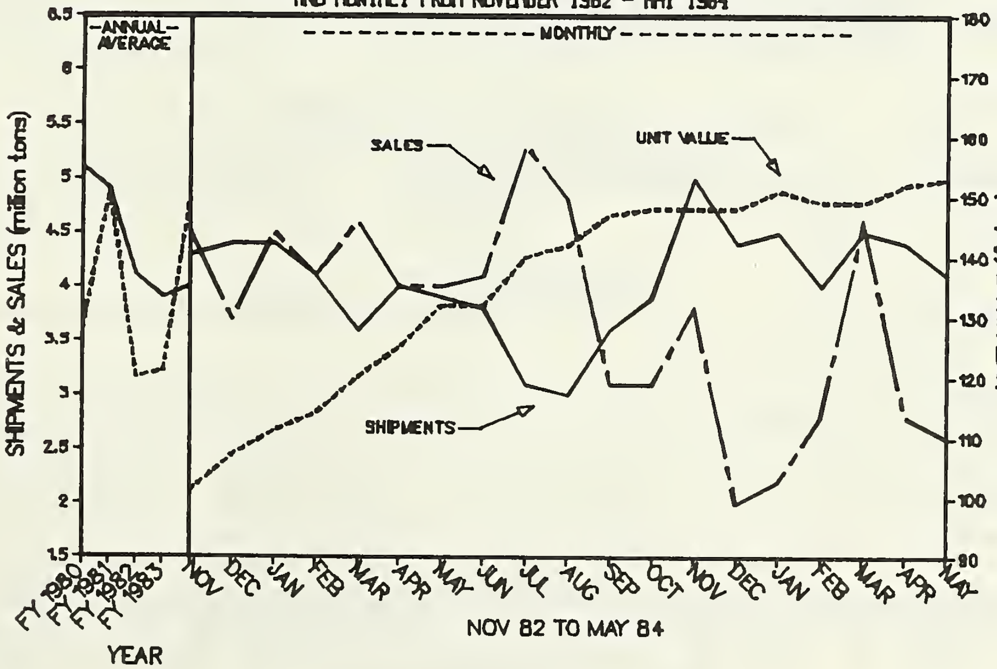
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.
* Denotes less than 50,000 tons.
Source: Export Sales; FGIS

CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

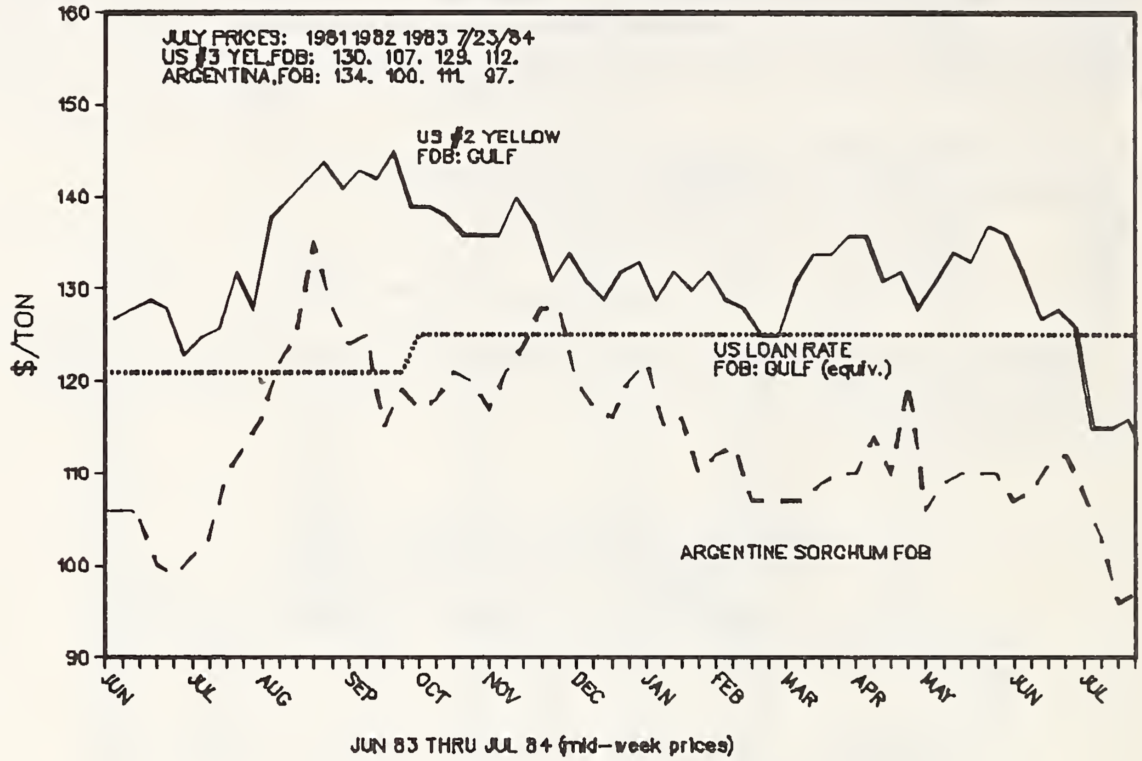
	SORGHUM		CORN					
	Argentina		Argentina		Thailand		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
April 19	.6	.6	.7	1.1	.2	.2	1.5	1.9
May 17	.8	.9	1.1	1.0	.2	.1	2.1	2.0
June 21	.9	.7	.9	.7	.1	.2	1.9	1.6
July 19	.6	N/A	1.1	N/A	.1	N/A	1.8	N/A
Cumul. in MY	4.0	3.5	5.3	4.2	1.8	2.2	10.1	9.9
Total for Season 2/	4.9	5.5	6.4	6.3	2.2	2.8	13.5	14.6

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1983/84.
* Denotes less than 50,000 tons.

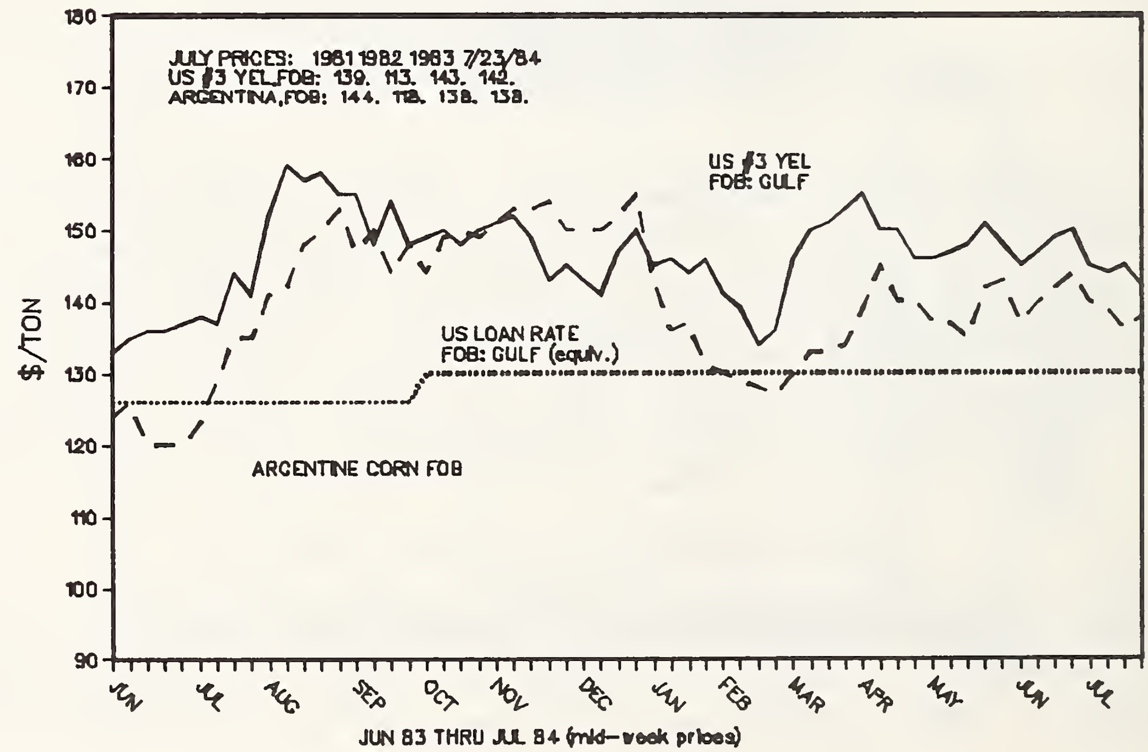
U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM NOVEMBER 1982 - MAY 1984



SORGHUM EXPORT PRICES
U.S. AND ARGENTINE



CORN EXPORT PRICES
U.S. AND ARGENTINE



BARLEY, OATS AND RYE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

U.S. barley exports in June-May 1984/85 remain forecast at 1.525 million tons. However, the barley estimate for 1983/84 has been revised upward slightly to 2.0 million tons. Estimates for oats in both 1983/84 and 1984/85 have been revised downward since last month.

U.S. EXPORTS OF BARLEY, OATS AND RYE
JUNE/MAY--1,000 TONS

Grain	1982/83	1983/84 1/	1984/85 2/
Barley	1,028	2,000	1,525
Oats	43	29	43
Rye	5	25	25

1/ Estimated.
2/ Projected.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

** EC: EC export authorizations for barley as of July 20 are nearly double the level authorized at this time last year. Barley production in 1984 is expected to rebound by several million tons (6 percent) from last year's poor harvest. That prospect would normally exert downward pressure on internal prices and stimulate additional domestic feed use in 1984/85. However, with prospects for a near record wheat harvest and large carry-in stocks, the Community is attempting to encourage more wheat for feeding, which would displace barley and intensify pressure to export the displaced barley. Import demand for EC barley is likely to be unusually strong throughout the Mediterranean area, normally a major EC market, because Syria and Turkey will also be importing barley instead of exporting it in 1984/85.

STATUS OF EC EXPORT TENDER AUTHORIZATIONS RELATIVE TO FINAL
(AUG/JULY--1,000 TONS)

	1980/81	1981/82	1982/83	1983/84	1984/85
Cumulative as of July 20	195	1101	112	229	430
Final	1,829	1,921	2,636	1,632	N/A

** Spain: In addition to the 500,000 tons of wheat authorized for export before October 31, the Spanish Ministry of Agriculture's Farm and Price Stabilization Agency (FORPPA) also proposed that up to one million tons of barley be exported. These exports are considered to be in excess of domestic use requirements and are intended to reduce carrying costs and make storage space available for Spain's impending bumper 1984 harvests.
However, despite government plans, high domestic support prices (around $130 per ton) would require export subsidies of about $15 to $20 per ton be paid by the Spanish government to move the barley on world markets. To date, no export subsidy programs have been established.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 7/19/83 1/	1984/85 Committed as of 7/19/84 1/
EC	301	112	360	—	59
Other W. Europe	472	226	441	19	120
Eastern Europe	111	—	126	—	—
Taiwan	373	146	223	128	50
Japan	336	119	372	121	152
Canada	128	—	—	—	—
Others	546	317	509	1	74
Total	2,267	920	2,033	269	455

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

4 Weeks Ending 1/	U.S. 82/83	U.S. 83/84	CANADA 82/83	CANADA 83/84	FRANCE 2/ 82/83	FRANCE 2/ 83/84	U.K. 2/ 82/83	U.K. 2/ 83/84	Total 82/83	Total 83/84
April 19	*	.2	.3	.5	.1	*	.2	.1	.6	.8
May 17	.1	.1	.6	.5	.2	.1	.1	N/A	1.0	N/A
June 21	*	.1	.6	.4	.1	N/A	.1	.1	.8	N/A
July 19	*		.4	N/A	.1	N/A	*	N/A	.5	N/A
Cumulative	.5	1.7	3.9	3.5	1.0	.5	1.3	.7	6.7	6.2
Total for Season	.9	2.0	6.0	5.5	1.1	.8	1.4	1.0	9.4	9.3

1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1983/84.
N/A Not available.
* Less than 50,000 tons.

U.S. OATS EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 7/19/83 1/	1984/85 Committed as of 7/19/84 1/
EC	4	—	5	—	—
Canada	1	—	—	—	—
Mexico	16	—	—	—	—
Venezuela	10	1	3	1	1
Others	87	3	1	—	—
Total	118	4	9	1	1

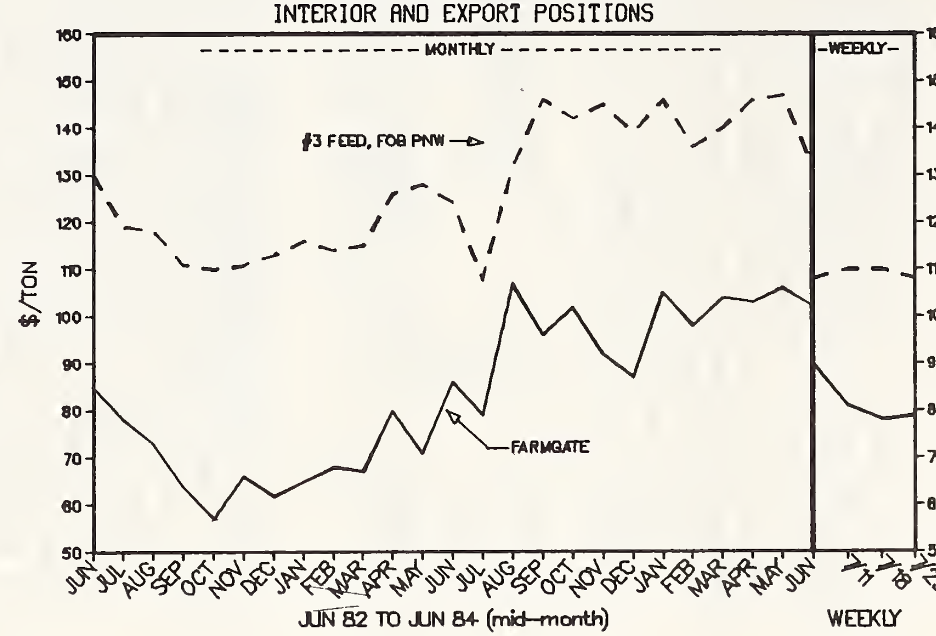
1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. RYE EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 7/19/83 1/	1984/85 Committed as of 7/19/84 1/
EC	1	—	3	—	—
Other W. Europe	13	—	—	—	—
Canada	15	—	—	—	—
Others	9	—	20	—	—
Total	38	—	23	—	—

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. FEED BARLEY PRICES
INTERIOR AND EXPORT POSITIONS



RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES 1/

Export Forecast. The forecasts for U.S. rice exports in the August-July 1983/84 and 1984/85 marketing years remain unchanged from last month at 2.0 million tons.

Shipments. U.S. rice exports during the 4-week period ending July 19 totaled 108,400 tons, compared to the previous 4-week total of 169,900 tons. Major destinations included Saudi Arabia, Indonesia and Iraq. Cumulative shipments through July 19 totaled 1.98 million tons, about 6 percent behind the pace of exports on this date one year ago.

Sales. During the 4-week period ending July 19, new sales registrations for 1983/84 delivery fell to only 64,900 tons. Saudi Arabia was the only significant buyer, with purchases of 21,000 tons. Export commitments for 1983/84 delivery now total 2.19 million tons, down more than 15 percent from the 2.6 million tons registered as of this date one year ago.

1/ Shipments and sales data are on a product basis.

IMPORTER BUYING ACTIVITY

Purchasing activity during July was comparatively quiet after last month's large purchases by Bangladesh, Iran and Iraq. However, the Philippines made several unexpected purchases of rice from Thailand and China totaling 150,000 tons. European purchases of Thai rice began to pick up when it appeared that Thai prices might continue to rise following the Bangledeshi purchases, but buying has since returned to more normal levels. Interest in U.S. and South American rice remains low, however, despite the higher Thai prices.

ESTIMATED RICE IMPORT COMMITMENTS FOR SELECTED COUNTRIES
(CALENDAR 1984--1,000 TONS)

Buyer	U.S.	Thailand	Pakistan	Burma	Other	Total Committed 1/	Forecast Imports
India	10	285	--	425	--	720	675
Indonesia	54	120	15	65	365	620	700
Iran	---	370	145	---	145	660	680
Iraq	312	120	---	---	---	430	440
Nigeria	25	520 2/	180	---	---	725	775

1/ Discrepancies due to rounding.
2/ 200 TMT designated Sept. '84/Mar. '85 shipment.

**Bangladesh: Trade rumors suggest that Bangladesh and Thailand have agreed in principle on a Long Term Agreement covering 1.5-2.0 million tons of rice over a three year period. Such a development would signal a reversal of increasing Bangladeshi wheat consumption in favor of rice. Traders say the Bangladesh government has opened up rice imports to the private sector on a licensing basis. In the past, all rice purchases were made through government to government negotiations or government tenders.

**Iraq: Results of Iraq's July 20 tender for 12,500 tons of U.S. #2/4% long-grain rice have not been released. Earlier reports suggested that the State Grain Trading Corporation (SGTC) had purchased 25,000 tons, but negotiations apparently were still continuing as of July 26.

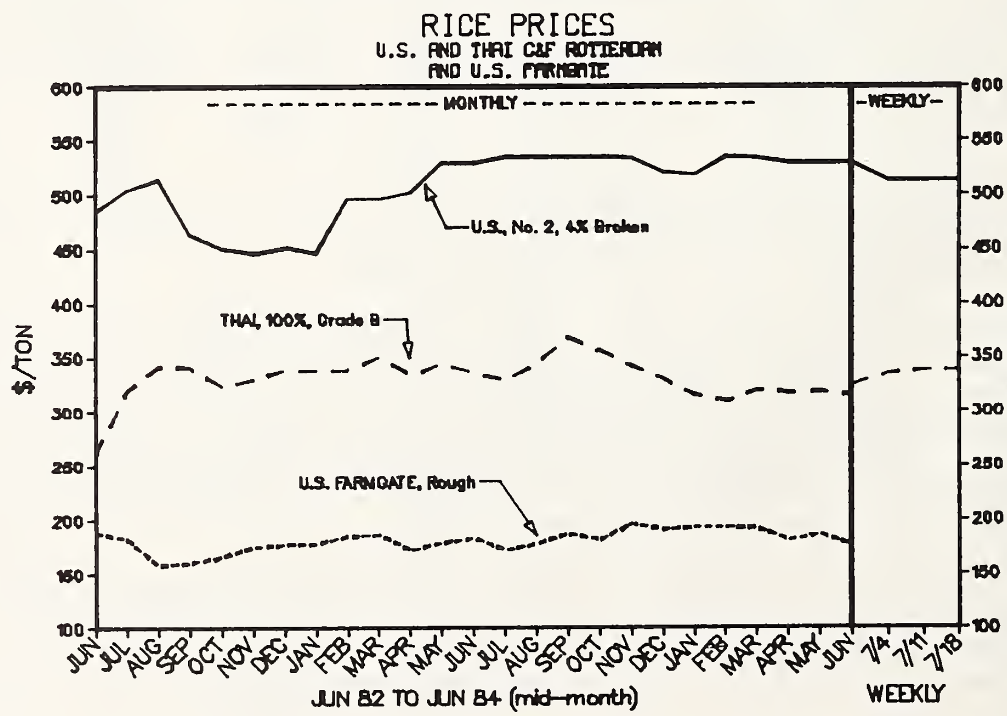
**Iran: The General Trading Corporation (GTC) of Iran made another purchase of Thai fragrant rice during the past month. GTC purchases of Thai fragrant rice this year now total about 130,000 tons.

**Japan: A shipping schedule has now been announced for the 150,000 tons of brown rice to be imported from South Korea. Three shipments of 50,000 tons each will be made during July 25-August 15, August 16-31 and September 1-20. The brown rice imports will consist of 97,800 tons of 1981 crop rice, 33,376 tons of 1982 crop and 18,824 tons of 1983 crop.

Following the announcement of rice imports from Korea, the Government of Japan began to come under increasing pressure to raise producer prices and relax the riceland diversion program. The GOJ is resisting any sharp increases in producer prices, but is considering a further relaxation of the diversion program.

**Mexico: CONASUPO apparently cancelled the contract for 20,000 tons of Thai 15% broken rice awarded at the June 26 tender. New tenders were held July 9 and July 19 at which Mexico purchased 30,000 tons of rice from Costa Rica and 10,000 tons from Thailand. Mexico has now purchased a total of 135,000 tons of rice for delivery in calendar year 1984, and is not expected to make any further purchases this year.

**Philippines: The National Food Authority (NFA) has announced the purchase of 100,000 tons of Thai rice and 50,000 tons of Chinese rice for delivery during July-September 1984. Reportedly, the purchases were made to boost government stocks until new crop rice becomes available later this year. The GOP maintains that adequate supplies were available in country, but rice traders and farmers were holding supplies in anticipation of higher prices. This marks the first rice imports by the Philippines since 1977.



RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN JUNE 27 and JULY 26, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price $/MT 2/	Delivery Period	Date of Report
Guinea	U.S.	17.9	#5/20% MG	268-283 4/	Aug/Sept	7/18
Iran	Thailand	30.0	F 100% B	243	N/A	7/5
Iraq	U.S.	25.0	#2/4% LG	N/A	N/A	7/24
Mexico	Costa Rica	10.0	15% LG	253 3/	Aug	7/10
		10.0	15% LG	260 3/	Aug	7/10
		10.0	15% LG	268 3/	Aug/Sept	7/23
	Thailand	10.0	20%	272 3/	Aug/Sept	7/23
Philippines	Thailand	20.0	35%	255 3/	Jul	6/29
		10.0	35%	N/A	Jul	7/9
		20.0	A-1 S	243 3/	Jul	7/17
		10.0	35/45%	220/222	Aug/Sept	7/20
		20.0	A-1 S	246 3/	Aug/Sept	7/27
	China	60.0	35%	225 3/	N/A	7/9
Saudi Arabia	U.S.	21.0	N/A	N/A	N/A	7/10
Turkey	Pakistan	30.0	15%	245	Jul/Aug	7/9
Vietnam	Thailand	10.0	A-1 S	200	N/A	7/17
N/A	Burma	4.0	L/B 10%	N/A	N/A	7/10
N/A	Thailand	10.0	15%	232	Aug/Sept	6/29
N/A	Thailand	10.0	35%/45%	220/222	Aug/Sept	7/20

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B = Brown, F = Fragrant, L/Bld = Long, Boiled, F/Bld = Full Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ C&F
4/ FAS basis, PL-480 sale.

N/A Not available.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

The unexpectedly large purchases by Bangladesh in June helped push Thai Board of Trade (BOT) posted prices to $285 per ton for 100%B and $280 per ton for parboiled 5%, with actual prices reaching as high as $275 per ton for each. The lack of subsequent business reportedly has allowed prices to slip back to the $265-270-per-ton range. If rumors of additional large purchases by India prove true, prices could again firm before the new crop harvest begins in Thailand.

**Thailand: Exports continued at a record-setting pace, with total exports through July 14 reaching 2.52 million tons or 40 percent more than was shipped as of this date one year ago.

WEEKLY THAI RICE EXPORTS

Week Ending	Actual	4-Week Moving Avg.
June 23	101,471	93,500
June 30	140,120	106,103
July 7	120,937	112,156
July 14	78,571	110,275

The slower sales pace of the past month was unable to sustain the recent rise in Thai prices. However, the rumor of further Indian purchases could push prices higher as supplies of unsold rice dwindle. Thailands export commitments for delivery in calendar year 1984 are now estimated at just over 4.0 million tons compared to projected total exports of 4.1 million tons.

**Pakistan: The Rice Export Corporation of Pakistan (RECP) reportedly sold 30,000 tons of 15% broken rice to Turkey last month. No results have been announced on the July 19 RECP tender for 20,000 tons of 20/25% broken rice and 10,000 tons of 30/35% broken rice. Export commitments for 1984 delivery are currently estimated at just over 1.0 million tons, against projected exports of 1.3 million tons, while actual exports through June totaled 635,000 tons.

**Burma: Unsold rice supplies remain tight, with the only one reported sale last month for 4,000 tons of long-boiled 10% broken rice. Reportedly, 10,000 tons of 5% broken rice was also being offered to the private trade, but no results have been announced. MEIC, the government export monopoly, is reported to be concentrating on shipments during the next few months, given the excessive shipping delays that have plagued Burma in the past. Delays in loading are still being reported, but shipments are running well ahead of last year.

**Brazil: The Government of Brazil recently authorized rice exports, although no export licenses have actually been issued by CACEX, the foreign trade office of the Bank of Brazil. The U.S. Ag Counselor reports that the authorization appears to be a compromise with producers whose request for an increase in minimum prices had been rejected. The recent near-record 9.0 million ton rice harvest has resulted in a large surplus on the domestic market and is causing prices to fall. It is expected that most of the current surplus will eventually find its way to rice-deficit areas in Brazil to rebuild stocks. If exports should materialize, they will likely be limited to only about 50,000-100,000 tons.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1980/82-1982/83, AND AUGUST 1 THROUGH JULY 19, for 1983/84
(AUGUST/JULY--1,000 TONS)

	Marketing	Long Grain		Other 1/		Total
Destination	Year	Milled	Brown 2/	Milled	Brown 2/	Exports
EC 10	1980/81	4	221	1	—	226
	1981/82	2	310	56	192	560
	1982/83	1	214	15	—	230
	1983/84	29	196	2	79	306
Other W. Europe	1980/81	22	51	1	*	73
	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	23	36	14	160	233
E. Europe & USSR	1980/81	7	—	25	—	32
	1981/82	*	—	*	—	*
	1982/83	*	—	*	—	*
	1983/84	—	—	—	—	—
Iran	1980/81	—	—	—	—	—
	1981/82	85	—	—	—	85
	1982/83	—	—	—	—	—
	1983/84	—	—	—	—	—
Iraq	1980/81	103	—	—	—	103
	1981/82	270	—	*	—	270
	1982/83	327	—	*	—	327
	1983/84	280	—	2	—	282
Saudi Arabia	1980/81	237	—	8	—	244
	1981/82	250	—	15	—	265
	1982/83	267	—	2	—	269
	1983/84	283	—	6	—	289
Other Middle East	1980/81	106	4	1	—	110
	1981/82	106	8	17	3	135
	1982/83	48	—	2	—	50
	1983/84	41	—	4	—	45
Republic of Korea	1980/81	—	—	—	1,161	1,161
	1981/82	—	—	*	339	339
	1982/83	—	—	*	213	213
	1983/84	—	—	*	112	112
Other Asia & Oceania	1980/81	133	—	10	*	142
	1981/82	4	—	38	—	43
	1982/83	2	—	129	—	132
	1983/84	5	—	139	—	144
Nigeria	1980/81	249	—	—	—	249
	1981/82	347	—	—	—	347
	1982/83	159	—	—	—	159
	1983/84	63	—	—	—	63
Other Africa	1980/81	176	106	45	4	330
	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	118	127	138	—	382
W. Hemisphere	1980/81	202	40	72	37	352
	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	162	32	109	17	320
Total 3/	1980/81	1,238	422	162	1,202	3,024
	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	1,022	390	413	367	2,192

* Less than 500 tons.
1/ Includes medium, short, and mixed.
2/ Data not converted to a milled equivalency. Includes rough rice.
3/ Discrepancies due to rounding and changes to unknown destinations.
SOURCE: U.S. Export Sales

RECENT THAI RICE SALES

Destination	Quantity (1,000 MT) Current	Est. Cumulative 1/	Quality 2/	Price $/MT 3/	Delivery	Date of Report
France	5.0	6.9	100% B	243	N/A	7/5
Iran	30.0	370.0	F 100% B	293	N/A	6/29
Israel	4.3	12.5	5%	276-279	N/A	7/5
Italy	5.0		B 100% B	245	Jul	7/5
	6.5		P/B 100%	278	Jul	7/17
	4.4	82.2	B 100% B	245	Jul	7/20
Malaysia	1.0	307.1	100% B	276	N.A	7/20
Mexico	10.0	70.6	20%	272	Aug	7/20
Mozambique	8.0	26.1	5%	233	N/A	7/17
Mozambique/S. Africa	1.0	7.6	P 100%	256	N/A	7/17
Nigeria	7.0	528.0	P 5%	285 4/	Jul	7/17
Philippines	20.0		35%	255 4/	Jul	6/29
	10.0		35%	N/A	Jul	7/9
	20.0		A-1 S	243 4/	Jul	7/17
	10.0		35/45%	220/222	Aug/Sept	7/20
	20.0	80.0	A-1 S	246 4/	Jul/Aug	7/27
Singapore	5.0	373.8	100% B	252	N/A	7/5
Sri Lanka	7.5	20.0	Spec. Mix	N/A	N/A	6/29
Vietnam	10.0	80.7	A-1 S	200	N/A	7/17
Yemen	7.9	24.9	P 10%	303 4/	Aug	7/20
Zaire	2.0	2.0	25%	N/A	N/A	6/29
N/A	10.0		15%	232	Aug/Sept	7/20
N/A	10.0		35/45%	220/222	Aug/Sept	7/27

1/ For all qualitites for 1984 delivery.
2/ P=Parboiled, B/5% = Brown rice 5% brokens, etc., F=Fragrant
3/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
4/ C&F

N/A = not available

U.S. EXPORT EXPANSION ACTIVITIES

**GSM-102: At the request of the Government of Portugal, $4 million in credit guarantees were transferred from rice to feed grains. As of July 26, the Commodity Credit Corporation had available credit guarantees totaling $51.4 million. The outstanding credit lines were: Iraq ($15.8 million), Mexico ($35.0 million) and Portugal ($0.6 million).

**PL-480: IN the past month, Guinea purchased nearly 18,000 tons of rice under Title I, a new agreement for approximately 6,000 tons for rice was signed with Zambia and a purchase authorization was issued for approximately 1,500 tons of rice to El Salvador. The following table outlines the current status of FY 1984 PL-480 Title I/III programs.

STATUS OF P.L. 480 TITLE I/III RICE PROGRAMS FOR FY 1984

Country	Allocation $Million	Agreement Signed	P.A. Issued	Tender Results: Date	TMT Purchased	Price $/MT FAS	Quality 1/
Completed							
El Salvador	1.2	X	X	12/22	4.4	271-272	MG
Liberia	15.0	X	X	1/09	42.1	336-344	LG, P
Bangladesh	15.0	X	X	1/11	55.7	269	MG
Madagascar	7.0	X	X	3/22	24.4	287	MG
Sierra Leone	1.0	X	X	3/26	3.4	294	MG
Indonesia	15.0	X	X	3/27	53.8	279	MG
Somalia	5.5	X	X	4/25	18.8	290-295	MG
Guinea	5.0	X	X	7/18	17.9	268-283	MG
Subtotal	64.7				220.5		
Pending							
Congo	2.0						
El Salvador	0.5	X	X				
Jamaica	5.0	X					
Mauritius	2.2						
Peru	10.0	X					
Yemen	2.0	X					
Zambia	1.8	X					
Subtotal	23.5						
Total	88.2						

1/ No. 5/20 percent unless otherwise indicated, P=Parboiled, MG=Medium Grain, and LG=Long Grain.

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250, Tel. (202) 447-2009.

U.S. WHEAT PROGRAMS

	1982 Program		1983 Program		1984 Program	
	Equivalent Export Price 1/	Farm Price	Equivalent Export Price 1/	Farm Price	Equivalent Export Price 1/	Farm Price
	($/Ton)	($/BU)	($/Ton)	($/BU)	($/Ton)	($/BU)
Trigger Release Price	$208	$4.65	--	-- 2/	--	--
Target Price	$186	$4.05	$195	$4.30	$198	$4.38
Loan (Reserve)	$184	$4.00	$171	$3.65	--	--
National Loan	$167	$3.55	$171	$3.65	$158	$3.30
Season Average Producer Price	$166	$3.53	$169	$3.60 3/	$154-$165	$3.20-$3.50
Current Farm Price	--	--	$170	$3.63 4/	--	--
Paid Diversion	--	--	$136	$2.70	--	--

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ Mid-point range.
4/ ASCS 5-day moving average as of May 22, 1984.

U.S. CORN PROGRAMS

	1982 Program		1983 Program		1984 Program	
	Equivalent Export Price 1/	Farm Price	Equivalent Export Price 1/	Farm Price	Equivalent Export Price 1/	Farm Price
	($/Ton)	($/BU)	($/Ton)	($/BU)	($/Ton)	($/BU)
Season Average Producer Price	$136	$2.65	$173	$3.60 2/	$104-$126	$2.65-$3.20
Trigger Release Price	$156	$3.15	--	-- 3/	--	--
Current Farm Price	--	--	$157	$3.14 4/	--	--
Target Price	$138	$2.70	$144	$2.86	$151	$3.03
National Loan	$132	$2.55	$136	$2.65	$132	$2.55
Loan (Reserve)	$146	$2.90	$136	$2.65	--	--
Paid Diversion	--	--	$91	$1.50	--	--

1/ Estimated equivalent, adjust from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Mid-point of range.
3/ Not yet announced.
4/ ASCS 5-day moving average as of May 22, 1984.

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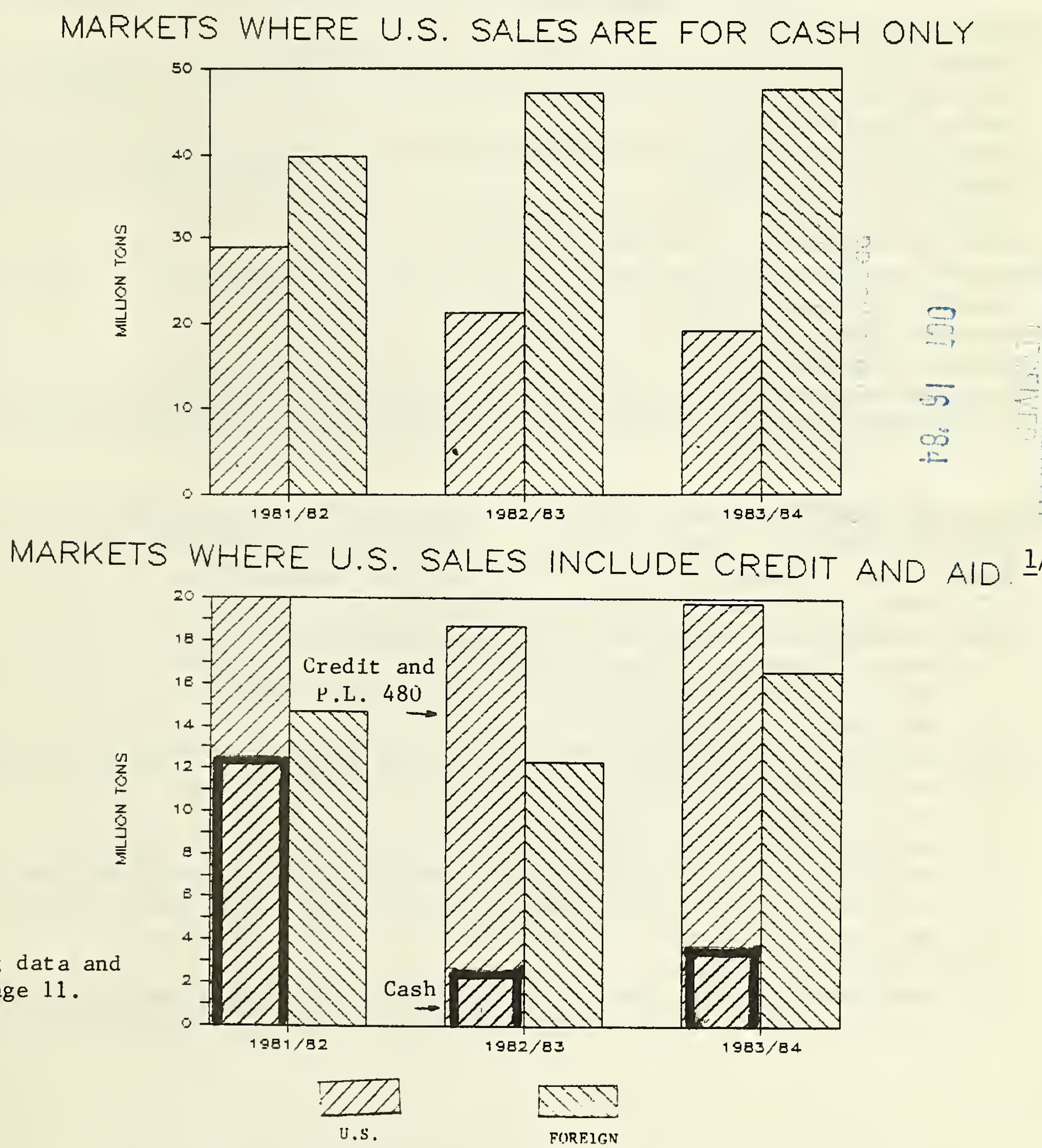
EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES

U.S. AND FOREIGN WHEAT EXPORTS TO:



Supporting data and text on page 11.

1/ Credit/Aid countries are recipients of P.L. 480 and GSM programming

EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES
August 31, 1984

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HIGHLIGHTS

The U.S. wheat export forecast for 1984/85 was raised to reflect stronger world demand, particularly in the Soviet Union where wheat imports are forecast at a record level. In addition, crop prospects in a number of competing exporting countries have declined, meaning smaller exportable supplies. World coarse grain demand also improved this month, indicating a possible rebound in the depressed trade levels of the past two seasons. Demand for U.S. sorghum and corn by Mexico, along with Canada's short barley crop, could mean improved export prospects for U.S. coarse grains. The U.S. rice export situation is unchanged, but heavy import demand in India and Bangladesh could put pressure on Asian exportable supplies and open additional possibilities in Europe and the Middle East.

Major developments affecting U.S. exports over the past month include:

--Italian demand for protein wheats is expected to remain strong this year despite record durum production.

--Kenya is continuing commercial wheat and corn purchases in response to low stock levels.

--Canadian end of marketing year wheat stocks were reported at lower than expected levels, reducing total supplies available for export in 1984/85.

--Australia is experiencing a rail strike which has already affected wheat exports.

--USSR purchases of U.S. corn are already above the minimum required under the LTA.

--Egypt is experiencing a summer feed shortage and additional imports could be authorized.

--Mexico switched $66.5 million of GSM-102 credit into feed grains and additional U.S. sales are likely before September 30.

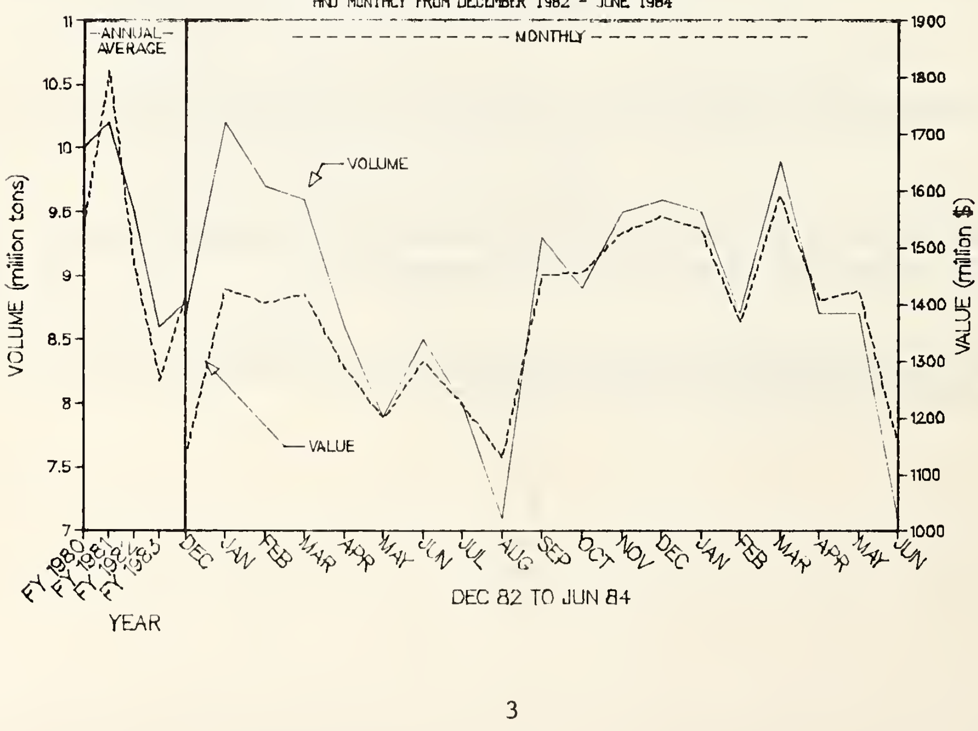
--EC imports of corn gluten feed (CGF) are expected to decline due to a cut-back in milk production and cattle numbers.

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1983 AND COMPARISON WITH PRECEDING YEAR

	JUNE -		CUMULATIVE OCT THRU JUNE		ACTUAL EXPORTS	PROJECTED EXPORTS
	FY 83	FY 84	FY 83	FY 84	FY 83	FY 84
WHEAT (grain only)						
Quantity (1000 tons)	3,089	2,867	27,887	27,489	36,699	38,000
Value Per Ton (dollars)	162	153	162	159	161	160
Value (in million dollars)	499	439	4,512	4,373	5,910	6,080
CORN (grain only)						
Quantity (1000 tons)	3,824	2,798	37,338	37,575	47,105	46,560
Value Per Ton (dollars)	135	152	116	150	121	148
Value (in million dollars)	517	425	4,318	5,633	5,717	6,891
SORGHUM (grain only)						
Quantity (1000 tons)	241	259	3,869	4,539	5,403	6,350
Value Per Ton (dollars)	141	139	118	137	122	135
Value (in million dollars)	34	36	455	623	660	857
BARLEY, OATS, AND RYE (grain only)						
Quantity (1000 tons)	38	101	490	1,552	973	2,260
Value Per Ton (dollars)	105	129	110	139	121	135
Value (in million dollars)	4	13	54	215	118	305
TOTAL COARSE GRAINS (grain only)						
Quantity (1000 tons)	4,103	3,158	41,697	43,666	53,481	55,170
Value Per Ton (dollars)	135	150	116	148	121	146
Value (in million dollars)	555	474	4,827	6,471	6,496	8,053
RICE (grain only)						
Quantity (1000 tons)	252	206	1,544	1,613	2,209	2,000
Value Per Ton	389	388	400	413	396	415
Value (in million dollars)	98	80	618	666	874	830
PULSES						
Quantity (1000 tons)	23	21	365	311	457	400
Value Per Ton (dollars)	40	40	410	460	416	440
Value (in million dollars)	9	9	149	144	190	176
FLOUR AND OTHER GRAIN PRODUCTS						
Quantity (1000 tons-gr. equiv)	354	295	2,283	2,178	3,499	2,600
Value Per Ton (dollars)	127	214	188	205	165	211
Value (in million dollars)	45	61	429	446	579	550
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS						
Quantity (1000 tons)	594	534	5,235	5,273	6,991	7,000
Value Per Ton (dollars)	162	165	163	175	164	179
Value (in million dollars)	96	88	855	915	1,145	1,250
TOTAL VOLUME (in thousand tons)	8,415	7,081	79,011	80,530	103,337	105,170
TOTAL VALUE (in million dollars)	1,302	1,151	11,390	13,015	15,194	16,939

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM DECEMBER 1982 - JUNE 1984



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. The forecast for June-May 1984/85 wheat exports, excluding 1.8 million tons of flour and products, has been increased by over 2 million to 38.3 million. This increase reflects some pickup in total world import demand as well as cropping problems in some of our major competitors which will limit their wheat exports for the period.

Shipments and Sales. Shipments of U.S. wheat for the 4-week period ending August 23 were up significantly both from the previous 4 weeks and from the same period a year ago. The pace of sales for the same 4 weeks also exceeded the level of the previous 4 weeks and were close to double those of the same period a year ago. The strong sales pace reflected not only good commercial sales, but several countries' late season wrapup of purchases under outstanding CCC credit lines and PL-480 authorizations.

IMPORTER BUYING ACTIVITY

The influx of harvest-time supplies in the northern hemisphere encouraged a continued good pace of buying activity in August. The Soviet Union, along with Bangladesh, Brazil and several Middle East markets, continued to pick up significant quantities of U.S. wheat.

U.S. MARKET OPPORTUNITIES

**Italy: Despite record wheat production in 1984, especially durum, high dockage levels and low protein content could mean that Italian demand for high-protein hard wheats will remain strong this year. Cool temperatures and rains have delayed harvesting by 15-20 days, and as a result, there have been difficulties controlling weed growth. In August 1983-May 1984, Italy imported over 2 million tons of non-durum wheats (500,000 tons from the U.S.). Soft wheat imports come mainly from France, but due to the low protein levels of French wheat, imports of high-protein wheats from the U.S. could increase in 1984/85.

**Kenya: Faced with extremely low food grain stock levels that resulted from last year's disastrous drought, Kenya has purchased 35,000 tons of U.S. wheat on commercial (cash) terms for October, 1984 delivery. Kenya has been buying both wheat and corn from other sources as well, and total grain imports during 1984/85 (Oct-Sept) could reach a record 1.8 million tons. A decline in U.S. corn prices since the first GOK tender when they purchased 120,000 tons of corn from Thailand should help narrow the gap and enable U.S. corn to become more competitive. Credit availability, along with price, will remain important in determining who will supply Kenya with much-needed wheat and corn during the balance of 1984/85.

WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN JULY 25, 1984 AND AUGUST 30, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
7/30	Bangladesh	U.S.	100,000	?	?	84/85
7/31	Bangladesh	U.S.	200,000	SRW	157.97 @ 158.00 C&F	Aug/Sept
8/1	Bangladesh	U.S.	100,000	White	?	84/85
8/6	Bangladesh	Australia	100,000	STD white	148.00 C&F	Sept
8/13	Bangladesh	U.S.	100,000	Soft wheat	161.00 C&F	Sept
7/26	Brazil	U.S.	99,000	HRW 11%	149.05 @ 151.39	Oct/Nov
8/15	Brazil	U.S.	132,000	HRW 11%	152.97 @ 154.43	Nov/Dec
8/22	Brazil	U.S.	66,000	HRW 11%	157.44 @ 157.48	Nov
8/29	Brazil	U.S.	66,000	SRW	143.00 @ 143.44	Nov
8/29	Brazil	U.S.	99,000	HRW 11%	156.92 @ 158.18	Nov/Dec
8/24	Colombia	U.S.	30,000	HRW 11%	156.00	Sept
8/30	China	U.S.	150,000	SRW	?	84/85
8/8	Dom. Rep.	U.S.	19,614	HRS 14%	152.95	Aug/Sept
8/8	Egypt	U.S.	150,000	White wheat	139.71 @ 145.68	Aug/Sept
8/8	Egypt	U.S.	31,146	Flour	215.17 @ 217.07 FAS	Aug/Sept
8/30	Egypt	U.S.	115,000	?	?	84/85
8/2	El Salvador	U.S.	9,000	SRW	137.95	FH Sept
			11,000	HRS 14.3%	166.98	
8/10	Honduras	U.S.	7,514	SRW	139.69	Sept
8/10	Honduras	U.S.	11,800	HRS 14%	164.04 @ 166.57	Sept
8/21	Israel	U.S.	30,000	HRW 12%	?	Feb
8/13	Kenya	U.S.	35,000	HRW 11%	161.78 C&F	Oct
8/3	Korea	Aust./N.Zealand	18,000	Feed wheat	137.77	?
8/22	Korea	Australia	30,000	Feed wheat	137.95	Sept
8/30	Korea	U.S.	35,500	White, HRW, HRS	135.90,155.75,170.55	Oct/Nov
8/10	Malta	U.S./Canada	12,000	HRS	?	Oct
8/20	Morocco	U.S.	250,000	SRW	147.00 @ 149.64	Sept/Oct
7/31	Peru	U.S.	66,915	HRW 11%	149.28 @ 149.64	LH. Aug
8/3	Peru	U.S.	21,000	HRW 11%	?	Aug
7/26	Philippines	U.S.	10,000	HRW 14%	172.90	Aug/Sept
8/8	Philippines	U.S.	25,000	HRS 14%	198.00 C&F	Sept
8/16	Portugal	U.S.	18,000	HRW	154.80	Sept
8/23	Sudan	U.S.	98,504	HRW 11%	154.91 @ 155.98	Aug/Sept
	Sudan	U.S.	23,242	Flour	211.52 @ 216.64 FAS	Sept
8/16	Taiwan	U.S.	11,000	White	140.04	Sept/Oct
8/16	Taiwan	U.S.	16,000	HRS 14.5%	172.45	Sept/Oct
8/8	Tunisia	U.S.	100,000	Durum	196.28 @ 199.50 C&F	Oct/Nov/Dec
8/10	Tunisia	U.S.	125,000	SRW	C&F	Sept/Oct/Nov
8/22	Turkey	U.S.	125,000	SRW	?	84/84
8/23	Turkey	U.S.	100,000	SRW	?	84/85
7/26	Unknown	U.S.	100,000	?	?	84/85
8/8	Unknown	U.S.	200,000	HRW	?	84/85
8/2	USSR	U.S.	100,000	HRW	?	84/85
8/2	USSR	?	100,000	HRW	?	84/85
8/21	USSR	U.S.	500,000	HRW	?	84/85
8/22	USSR	U.S.	100,000	HRW	?	84/85
8/24	USSR	U.S.	150,000	HRW	?	84/85
8/24	USSR	?	200,000	HRW	?	84/85
8/27	USSR	U.S.	100,000	HRW	?	84/85
8/3	Yemen	U.S.	4,707	Wheat flour	212.43 FAS	Sept
8/16	Zaire	U.S.	10,000	HRW 12.5%	142.87	Aug/Sept
8/24	Zambia	U.S.	17,421	HRW 11%	154.98	Sept

1/ HRW=Hard Red Winter, HRS=Hard Red Spring, SRW=Soft Red Winter, 2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY--MILLION TONS)

Monthly Shipments

4 Weeks Ending	1982/83	1983/84
May 17	2.5	2.5
Total for MY..........	38.2	35.5

	1983/84	1984/85
June 21	2.4	3.3
July 19	2.9	3.0
Aug. 23	2.8	4.2
Cumulative for MY.......	7.7	9.1

Monthly Sales 2/

4 Weeks Ending	1982/83	1983/84
May 17	2.3	3.0
Total for MY.........	40.2	41.7

	1983/84	1984/85
June 21	2.8	3.7
July 19	2.3	4.8
Aug. 23	2.9	5.4
Cumulative for MY	13.3	20.1

Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending August 16..............	1.2	42.3
Week Ending August 23..............	1.0	38.3
Official Estimate for Current MY (Grain only)......................	38.1	1400
Implied Weekly Average.............	0.7	26.9
Latest Six Weeks Weekly Average.....................	0.9	31.6
Marketing Year-To-Date Weekly Average.....................	0.8	28.9
Weekly Avg. Extrapolated Annually..	40.8	1500
Balance of Year to Achieve Estimate Implied Weekly Average............	0.7	26.3

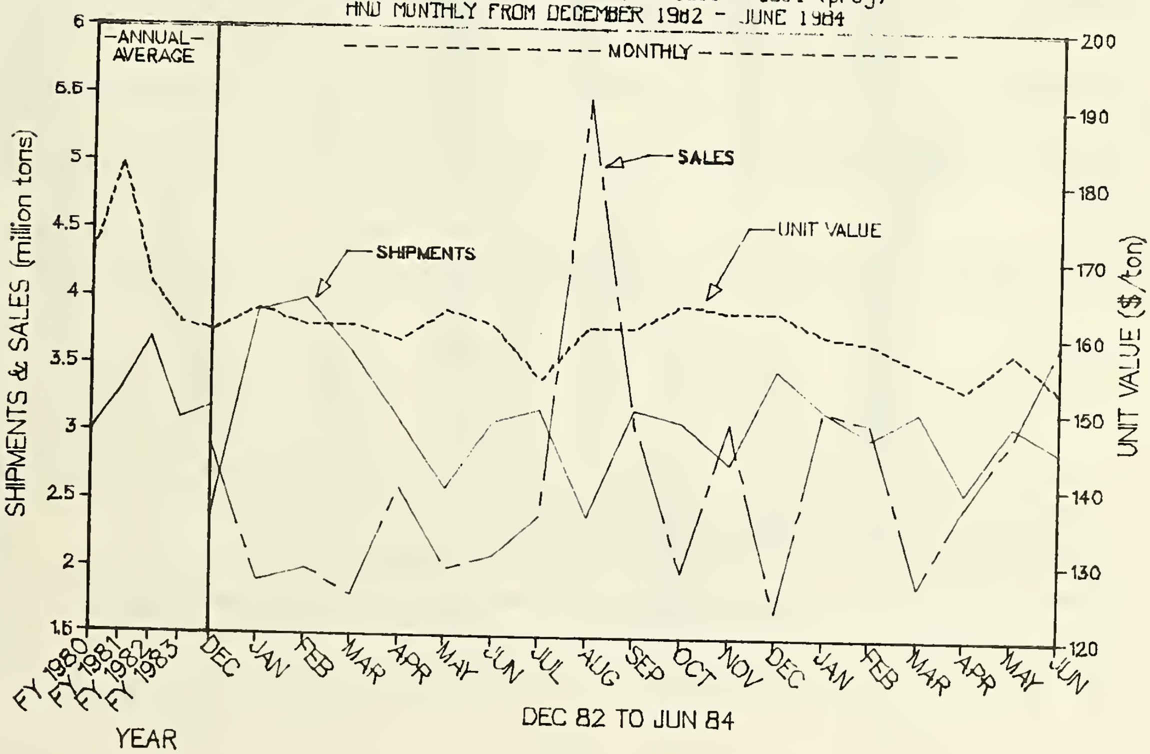
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(JULY/JUNE--MILLION TONS)

	Canada		Australia		Argentina		France 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
April 19	1.7	1.1	.7	1.4	.8	.8	.9	.8	4.1	4.1
May 17	2.3	1.2	.2	1.1	.5	.5	.8	.4	3.8	3.2
June 21	2.5	2.4	.1	1.4	.6	.3	.7	.5	3.9	4.6
Total for Season 3/	21.2	20.4	8.1	12.1	7.4	9.6	10.0	9.5	46.7	51.7
4 Weeks Ending 1/	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
July 19	2.2	2.0	.3	1.4	.7	.2	.3	N/A	3.5	N/A
Aug. 23	2.4	N/A	.4	N/A	.4	N/A	.7	N/A	3.9	N/A
Cumulative since July 1	4.6	N/A	.7	N/A	1.1	N/A	1.0	N/A	7.4	N/A
Total for Season 3/	20.4	18.7	12.1	15.0	9.6	6.5	9.5	10.0	51.7	50.2

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1984/85.
* Denotes less than 50,000 tons.

U.S. WHEAT SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM DECEMBER 1982 - JUNE 1984

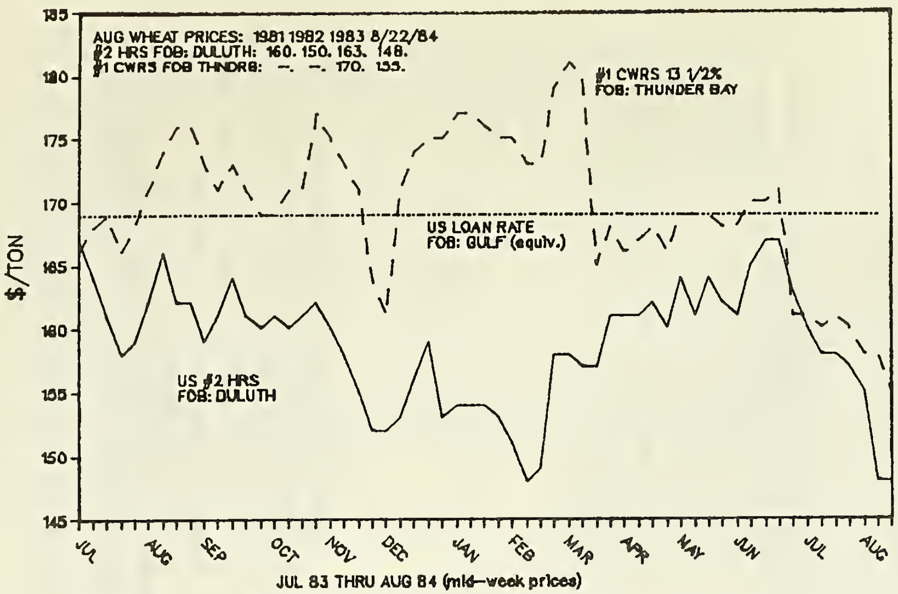


U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1982/83-1983/84; COMMITMENTS TO DATE FOR 1984/85 WITH COMPARISON TO 1983/84
(JUNE/MAY—1,000 TONS)

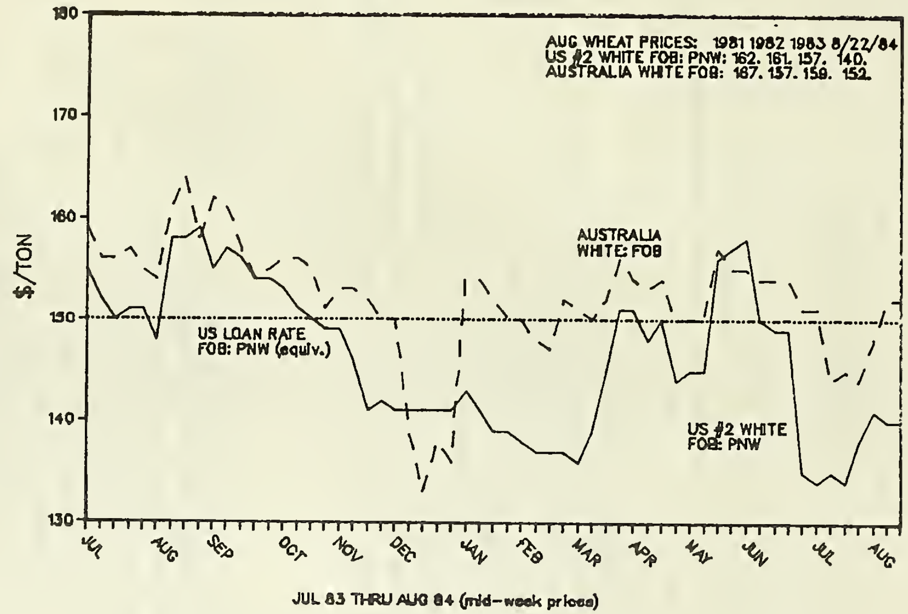
Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1982/83	3	1,162	35	53	495	1,748
	1983/84	3	1,218	2	—	263	1,491
	1983/84*	—	498	3	—	112	613
	1984/85**	—	194	4	—	54	252
Other W. Europe	1982/83	343	95	289	4	7	738
	1983/84	795	32	411	16	49	1,302
	1983/84*	96	20	127	—	20	263
	1984/85**	276	3	317	—	11	607
Eastern Europe	1982/83	—	—	122	—	74	196
	1983/84	—	—	283	—	72	355
	1983/84*	30	—	283	—	22	335
	1984/85**	—	—	—	—	—	—
USSR	1982/83	3,374	—	—	—	—	3,374
	1983/84	4,141	—	—	—	—	4,141
	1983/84*	—	—	—	—	—	—
	1984/85**	4,527	—	—	—	—	4,527
China	1982/83	386	—	4,938	—	—	5,324
	1983/84	1,368	—	1,549	—	—	2,917
	1983/84*	32	—	42	—	—	73
	1984/85**	106	—	2,463	—	—	2,569
Japan	1982/83	1,266	987	20	1,049	—	3,322
	1983/84	1,287	1,010	—	1,126	12	3,435
	1983/84*	500	447	—	436	22	1,405
	1984/85**	445	386	—	386	—	1,217
India	1982/83	2,480	—	—	1,405	—	3,885
	1983/84	198	—	—	968	—	1,166
	1983/84*	198	—	—	—	—	198
	1984/85**	—	—	—	—	—	—
Taiwan	1982/83	309	195	—	170	—	674
	1983/84	245	185	—	130	—	561
	1983/84*	144	99	—	66	—	309
	1984/85**	131	73	—	81	—	285
Rep. of Korea	1982/83	605	162	—	990	—	1,757
	1983/84	649	221	2	1,179	—	2,051
	1983/84*	242	73	2	404	—	721
	1984/85**	255	87	—	427	—	769
Other Asia, Middle East, and Oceania	1982/83	2,554	1,858	833	568	1	5,814
	1983/84	2,288	1,232	258	1,222	21	5,021
	1983/84*	1,163	610	179	437	22	2,411
	1984/85**	1,273	383	272	361	—	2,289
Egypt	1982/83	—	—	397	1,331	—	1,728
	1983/84	—	—	539	807	—	1,346
	1983/84*	—	—	342	37	—	379
	1983/84**	—	—	52	549	—	601
Nigeria	1982/83	918	242	81	—	—	1,241
	1983/84	1,278	265	88	—	—	1,631
	1983/84*	407	88	39	—	—	534
	1984/85**	372	20	20	—	—	412
Other Africa	1982/83	611	95	1,086	—	666	2,458
	1983/84	471	7	1,876	45	844	3,242
	1983/84*	256	3	778	37	422	1,496
	1984/85**	132	1	1,507	—	317	1,957
Brazil	1982/83	2,113	—	—	—	—	2,113
	1983/84	2,181	—	66	—	—	2,247
	1983/84*	1,563	—	67	—	—	1,630
	1984/85**	1,363	—	—	—	—	1,363
Other W. Hemis.	1982/83	2,172	1,464	559	8	271	4,474
	1983/84	2,223	1,477	514	48	296	4,558
	1983/84*	1,230	810	308	6	176	2,530
	1984/85**	1,019	727	268	132	158	2,304
Total 1/	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1983/84	17,128	5,647	5,593	5,541	1,556	35,464
	1983/84*	6,053	2,736	2,215	1,417	876	13,297
	1984/85**	10,224	1,946	5,338	1,839	762	20,109
MY Projection 2/		19,867	5,987	6,940	5,715	1,633	40,143

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1984/85, including flour and products.
* Sales plus accumulated exports as of August 25, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of August 23, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

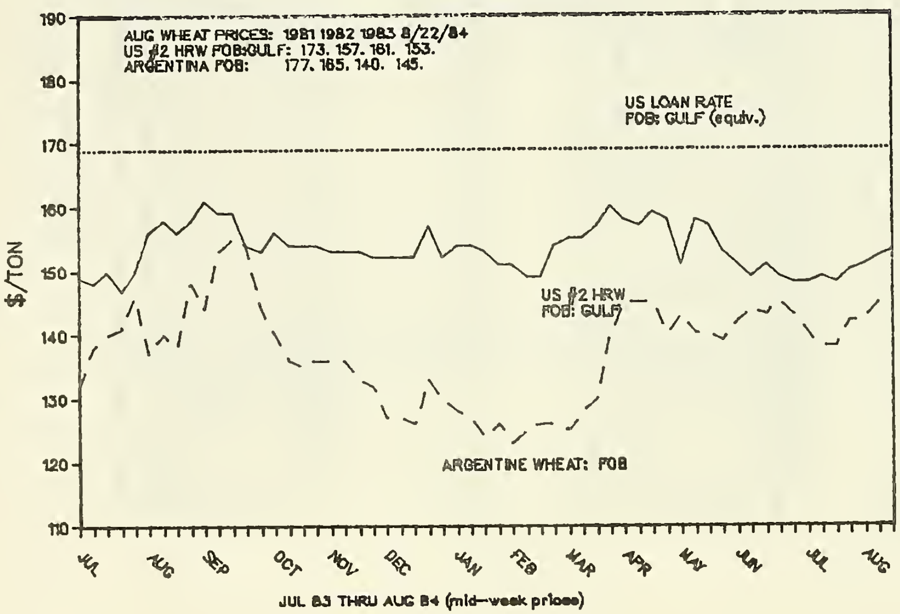
HARD RED SPRING WHEAT EXPORT PRICES
U.S. AND CANADIAN



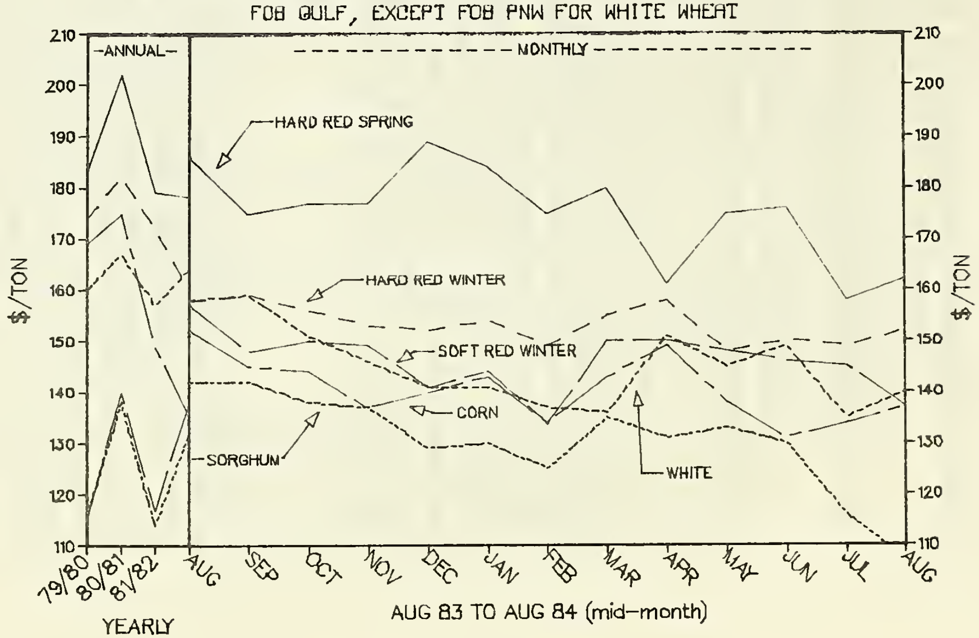
WHITE WHEAT EXPORT PRICES
U.S. AND AUSTRALIAN



HARD RED WINTER WHEAT EXPORT PRICES
U.S. AND ARGENTINE



U.S. GRAIN COMMODITY EXPORT PRICES
FOB GULF, EXCEPT FOB PNW FOR WHITE WHEAT



OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**EC: The EC plans to introduce quality standards for wheat exports, despite opposition from COCERAL, the European Association of Grain Traders. Although the decision has yet to be approved by the Commission and the details need to be worked out, the idea is that an exporter would lose its export licence deposit of about $5/ton if its wheat did not meet the same quality standards used for intervention stock purchases. Adoption of quality standards would serve two purposes. It would encourage additional domestic use of low-quality wheat which doesn't meet export standards, and could reduce EC soft wheat exportable supplies which could encourage EC farmers to cut wheat production. EC wheat production has expanded by 50% over the past decade as farmers shifted from high-quality but lower-yielding spring varieties to higher-yielding, but poorer-quality fall varieties. Since domestic use has largely stagnated the Community has faced rising surpluses, and exports have tripled to 16.5 million tons (including products) forecast for 1984/85.

**Canada: Canadian wheat stocks as of the end of the August-July 1983/84 marketing year were 9.34 MMT, 1.6 MMT less than the Canadian Government had estimated. This sharp decline was due to heavier end of year shipments and increased domestic feed use. The Canadians are expecting a poor wheat harvest of about 20 million tons in 1984, compared to an average of 26 million tons the last three years. A combination of reduced carry-in and a small crop will likely mean less export availabilities and a sharp draw-down in stocks; MY 84/85 exports are forecast at only 18.7 million tons. Lower 1983 barley production and expanded use will also mean lower carry-in stocks for 1984/85, and could also mean reduced exportable supplies of barley in 1984/85.

**Australia: A continuation of a rail strike in the important grain growing and exporting New South Wales area of Australia could result in some increased export opportunities for U.S. wheat. The General Manager of the Australian Wheat Board said that labor problems have already cost Australia over 500,000 tons of wheat export capacity. If the current problems are resolved quickly, it is possible that they could still reach the projected record 14.5 million ton wheat export for 1983/84 (Dec-Nov). However, any prolonged strike would certainly limit their ability to ship record amounts.

Internal Price Policies of Foreign Countries

**India: After record procurements from a bumper harvest, the government of India (GOI) announced that the issue price of wheat to Indian flour millers will decrease by about 17 percent, to approximately $US 156 per ton. This new price is now near the price charged to fair price/ration shops and will enable flour millers to operate at full capacity. Lower prices for various wheat products such as flour, semolina, bread and bakery items will result in increased wheat consumption and some draw-down of GOI wheat stocks, which at 18 million tons are at the highest level since 1979.

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis. For example, in terms of quality differentials, the Canadian price is set for No. 1 CWRS, while No. 2 CWRS was discounted by approximately C$6 per ton and No. 3 CWRS by about C$11 per ton; No.1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

	1983/84			1984/85		
Exporter	U.S.$ Equivalent		Local Currency	U.S.$ Equivalent		Local Currency
	per bu	---per ton---		per bu	---per ton---	
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.96	109	3,700 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	N/A	N/A	N/A (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate.

N/A Not available.

U.S. EXPORT EXPANSION ACTIVITY

U.S. WHEAT/WHEAT FLOUR TRADE UNDER PL-480 WITH SELECTED COUNTRIES *
(1,000 TONS)

	FY 1983		FY 1984
	Exports Under PL-480	Total Exports	Agreements Signed 1/
Bangladesh	228	803	197
Bolivia	137	137	60
Costa Rica	70	85	127
Dominican Republic	--	209	19
Egypt	1,474 2/	3,536	1,523 2/
El Salvador	131	135	143
Haiti	40	117	47
Honduras	71	107	91
Indonesia	83	914	88
Jamaica	40 2	84	49
Morocco	194	1,320	269
Peru	68	863	65
Sierra Leone	3	31	11
Somalia	23 2/	34	28 2/
Sri Lanka	155	216	150
Sudan	297 2/	480	182 2/
Tunisia	56	378	37
Yemen	--	255	5 2/
Zaire	60 2/	73	58 2/
Zambia	17	37	17
TOTAL	3,147	9,814	3,166

* Transactions under Title I and III.

1/ Approximate quantities based on dollar value of agreements.

2/ Includes grain equivalent of flour.

**CCC Credit:

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES UNDER CCC GUARANTEE PROGRAMS *

	FY 1983		FY 1984		
	Total Exports	Estimated Exports Under CCC Programs	Announced	Approved	Estimated Quantity Yet To Be Purchased
	--1,000 Tons--		--Million Dollars--		--1,000 Tons--
Bangladesh	803	300	45	0	300
Brazil	2,186	2,575 1/	445	287	1,055
Chile	1,000	675	75	47	255
Colombia	558	--	83	57	175
Costa Rica	85	20	--	--	--
Dominican Rep.	209	80	16	16	--
Ecuador	322	220	79	50	200
Egypt	3,536	1,750	95	0	630
Guatemala	131	120	18	15	15
Haiti	117	45	5	5	--
Iraq	1,086	1,400 1/	186	168	120
Jamaica	84	40	15	12	10
Korea	1,844	785	130	108	150
Morocco	1,320	1,350 1/	334	90	600
Nigeria	1,208	200	--	--	--
Peru	863	780	100	35	435
Philippines	978	105	84	69	100
Portugal	543	560 1/	117	100	115
Tunisia	378	300	133	59	490
Turkey	--	--	86	24	415
Yemen	255	345 1/	--	--	--
Yugoslavia	293	350 1/	--	--	--
TOTAL	17,799	12,000	2,056	1,142	5,065

* Includes GSM-102 and GSM-5.

1/ Exports under CCC programs exceed total FY 83 because some of the estimated shipments may have actually moved after September 30, 1983.

**Cover Page: As indicated by the front page graphs and the supporting data below, an increase in credit sales in the past three years has apparently enabled the United States to maintain total sales, in the face of intense competition, to those countries which utilize U.S. credit programs. It is also likely that credit has enabled those countries to maintain or increase their total imports, whereas, if they had not had extra credit, their total imports might have fallen. On the other hand, in countries that are not using U.S. credit and aid, and where price is the sole means of competing with other origins, our wheat exports have dropped, and foreign wheat exports have increased.

	1981/82	1982/83	1983/84	Net Change in 1983/84 from 1981/82
U.S. Wheat Exports to:	(million tons)			(percent)
Credit/Aid Countries: 1/				
Credit/Aid	7.4	16.0	16.0	+116
Cash	12.6	2.7	3.8	-70
All Other Countries:	28.8	21.2	19.0	-34
TOTAL	48.8	39.9	38.9	-20
Competitor Wheat Exports to:				
Credit/Aid Countries: 1/	14.7	12.3	16.6	+13
All Other Countries:	39.8	47.2	47.5	+19
TOTAL	54.5	59.5	64.1	+18

1/ Credit/Aid countries are recipients of P.L. 480 and GSM programming.

Special Report: International Durum Wheat Trade In 1984: U.S. Competitors

World durum trade in 1984 should approach 5.0 million tons, slightly below the levels of recent years due mostly to a sharply lower Canadian crop. A major drop in world trade should be avoided, however, due to record production in both Greece and Italy. The U.S. durum crop is forecast at approximately 2.6 million tons, up 30 percent from 1983/84, but well below the 1981/82 record production of 5.0 million tons. U.S. durum exports in 1984/85 are forecast at 1.6 million tons, but could increase if world demand strengthens and additional Italian and Greek exports fail to take place.

**Greece: A return to more normal production after a significant drop in both production and quality of the 1983 durum wheat crop is expected in 1984. Greece is forecast to have a 500,000 ton exportable surplus of durum in 1984/85. The impact of the surplus on U.S. durum sales in the EC and in North African markets will depend on Greek domestic diposal alternatives. If this durum remains in private storage, it will probably lead to higher than normal carry-over stocks into 1984/85. If it goes into EC intervention, and the Commission decides that durum stocks are cumbersome, it could mean higher durum exports.

**Italy: Abundant soil moisture and recent mild temperatures have boosted grain yields in most areas to record levels. A record durum crop is expected in 1984, and some estimates go as high as 4.5 million tons (the largest recent crop was 3.4 million tons in 1981). Italy traditionally imports about 300,000 tons of U.S. durum wheat per year, but this could drop if its crop is as large as expected. Export availability this year could reach 1.5 million tons, of which 600,000 tons is expected to be semolina (wheat equivalent), 360,000 tons of pasta (wheat equivalent), and up to 540,000 tons of unmilled durum wheat, mostly to EC member countries. The main determinant of Italian durum wheat exports this year will be domestic supply and demand pressures.

**Canada: Hot and dry conditions in Canada have severely reduced expected Canadian durum production and exports. Canada is likely to export only about 1.5 million tons of durum this season, compared to 2.4 million and 2.7 million in 1983/84 and 1982/83, respectively. The USSR has been Canada's single largest buyer with purchases at about the 1 million ton level annually in recent years. Some traders indicate that the Soviets may have already bought-up Canadian 1984/85 durum export availablities. The EC, Algeria and Japan are Canadian durum markets which may turn more heavily to the United States for supplies this season. However, large Italian and Greek durum crops are expected to reduce EC imports and partially offset reduced Canadian export availablities. It is possible the United States could pick-up additional durum wheat sales this coming year. U.S. durum exports have been running at about 1.6 million tons the past few seasons.

GREECE: DURUM WHEAT SUPPLY AND DEMAND
(JULY/JUNE--1,000 TONS))

	1982/83	1983/84	1984/85 1/
Production	747	561	899
Beginning Stocks	266	202	11
Imports	0	0	0
TOTAL SUPPLY	1,013	763	910
Exports	556	432	500
Consumption	255	320	320
End Stocks	202	11	90
TOTAL DISAPPEARANCE	1,013	763	910

ITALY: DURUM WHEAT SUPPLY AND DEMAND
(JAN/DEC--1,000 TONS)

	1982/83	1983/84	1984/85 1
Production	2,915	2,901	4,100
Beginning Stocks	400	400	560
Imports	978	800	300
TOTAL SUPPLY	4,293	4,101	4,960
Exports	1,311	1,000	1,300
Consumption	2,582	2,541	2,700
End Stocks	400	560	960
TOTAL DISAPPEARANCE	4,293	4,101	4,960

CANADA: DURUM WHEAT SUPPLY AND DEMAND
(AUG/JULY--1,000 TONS)

	1982/83	1983/84	1984/85 1/
Production	3,121	2,700	1,900
Beginning Stocks	1,233	1,169	1,094
Imports	0	0	0
TOTAL SUPPLY	4,354	3,869	2,994
Exports	2,725	2,300	1,544
Consumption	460	475	450
End Stocks	1,169	1,094	1,000
TOTAL DISAPPEARANCE	4,354	3,869	2,994

1/ Forecast

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast: The estimate for October-September 1983/84 U.S. corn exports, excluding about 430,000 tons of products, has been reduced to 46.5 million tons as the export pace continues to remain sluggish and importers wait for new-crop corn. The projection for 1984/85 corn exports has been raised to 51.6 million tons in light of strong forward sales by the USSR and increased import needs in the EC. The U.S. sorghum export forecasts for both 1983/84 and 1984/85 were raised to 6.3 million tons as demand remains strong by Mexico, Japan and Venezuela.

Shipments and Sales: U.S. corn sales for the 4 weeks ending August 23 jumped by more than 50 percent with continuing large purchases by the USSR for shipment in 1984/85. Shipments also picked up sharply, but the cumulative total remains at about last year's level. Sorghum sales and shipments also picked up over last month's activity, and both remain well ahead of last year's levels.

IMPORTER BUYING ACTIVITY

Recent corn buying activity has been relatively light, with the exception of the USSR, which continues to purchase large quantities of corn for 1984/85 delivery. Egypt, Taiwan and Portugal continued to purchase corn for 1983/84 delivery. Mexico was the only buyer of a large quantity of sorghum for near-term delivery to help offset a short domestic harvest.

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN JULY 25, 1984 AND AUG 30, 1984

Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per Ton)	Delivery Period 3/
8/29	C. Rica	U.S.	17,788	#3 YC	138.97	Sept
					142.97	
8/23	Cyprus	U.S.	18,000	YS	?	Oct
8/8	Dom. Rep.	U.S.	25,002	#3 YC	141.19	Sept
7/30	E. Germ.	U.S.	100,000	Corn	50,000	83/84
					50,000	84/85
8/7	Egypt	U.S.	100,000	#2 YC	159.14	Aug/Sept
					159.34 CIF	
8/17	Egypt	U.S.	174,000	#2 YC	?	Aug/Sept
8/1	El Sal.	U.S.	18,948	#2 YC	141.72	LH Aug
7/26	Jordan	U.S.	25,000	#3 YC	155.00 C&F	Sept
8/16	Kenya	Thailand	120,000	Corn bagged	159.45 @ 160	Oct/Nov
8/3	Korea	U.S.	50,000	YC	153.95 CIF	Aug
8/2	Mexico	U.S.	182,800	#2 YS	various	Aug/Sept
7/26	Portugal	U.S.	33,000	#2 YC	141.00	Aug
8/17	Portugal	U.S.	53,500	#3 YC	?	Aug/Sept
8/3	Taiwan	U.S.	27,000	YC	136.96	Oct
8/24	Taiwan	U.S.	140,000	YC	160.92	Sept
					165.20	
8/3	Turkey	U.S.	64,000	#2 YC	?	Aug
8/21	Turkey	U.S.	100,000	Corn	?	83/84
7/30	Unknown	U.S.	200,000	Corn	50,000	83/84
					150,000	84/85
8/1	Unknown	U.S.	100,000	Corn	?	83/84
7/30	USSR	U.S.	400,000	Corn	?	84/85
7/30	USSR	U.S.	100,000	Corn	?	84/85
7/31	USSR	U.S.	400,000	Corn	?	84/85
8/1	USSR	U.S.	300,000	Corn	?	84/85
8/2	USSR	U.S.	100,000	Corn	?	83/84
			500,000	Corn	?	84/85
8/2	USSR	?	100,000	Corn	?	84/85
8/3	USSR	U.S.	400,000	Corn	?	83/84
8/6	USSR	U.S.	100,000	Corn	?	84/85
8/22	USSR	U.S.	400,000	Corn	?	84/85
8/30	USSR	U.S.	300,000	Corn	?	84/85

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

**USSR: Soviet purchases of U.S. corn of nearly 7 million tons for delivery during the second year (October 1, 1984 - September 30, 1985) of the Long Term Agreement are over 70 percent above the minimum required purchases. Under the LTA the minimum annual quantities of wheat and corn purchases by the Soviets shall be no less than four million metric tons each. Corn purchases for the first year of the new LTA currently stand at 6.6 million tons.

**Egypt: A severe summer feed shortage has forced the Egyptian government (GOE) to cancel plans to open new poultry farms. Recently, authorization was granted for importation of wheat straw from Australia, but the GOE also asked for prices of U.S. hay products to compare before actual imports take place. Egypt should import 1.55 million tons of U.S. corn in 1983/84 (Oct-Sept) and is forecast for total imports of 1.9 million tons (1.8 from the United States) in 1984/85. Foreign exchange for imports is limited, so financing credit and prices will play an important role if U.S. sales are to take place.

**Mexico: A switch of $66.5 million of GSM-102 credit into feedgrains from other commodities for Mexico will mean additional U.S. sales during FY 1984. This fiscal year Mexico has been allocated a total of $700 million for feedgrains, and has an unused balance of $130 million. Once this balance is used, it will likely mean additional sales of U.S. corn and sorghum totaling over one million tons. Mexico is forecast to import 2.6 million tons of corn and 3.2 million tons of sorghum during October-September 1983/84.

**PRC: Chinese government plans to construct 300 new feed mills in the next three years which could provide potential for increasing imports of U.S. coarse grains. The Deputy Director of the China National Feedstuffs Corporation stated the new mills will procure raw materials from domestically produced supplies, supplemented with imports of coarse grains. A shortage of storage facilities and transportation problems reportedly limited imports this year, but even the bumper harvests of the past three seasons have not been able to keep pace with rising demand in the livestock sector. No U.S. coarse grains have been exported to China this year, but a record 2.2 million tons was shipped in 1982/83. China produced 7 million tons of mixed feed in 1983, and plans to increase mixing capacity to 50 million tons by 1990.

**EC: Reports of lower-than-expected corn production in France could mean additional EC import demand for corn from third country exporters like the United States in 1984/85. In recent years, France has become the major corn supplier to other EC countries, exporting nearly 5 million tons in 1983/84. In contrast, U.S. corn shipments to the EC have steadily fallen from over 16 million tons in 1976/77 to only about 3 million tons in 1983/84. With French corn production down, EC import demand for third country corn could be higher than presently forecast. However, increased use of bumper domestic supplies of barley and wheat could partially replace corn in feed rations, which in turn could dampen demand for imported corn.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries' Selling Activities and Competitive Practices

**Argentina: In addition to the recently concluded agreement with Poland and Mexico, Argentina is currently negotiating a trade pact with Cuba. The volume of corn and sorghum trade with Mexico is expected to be about one million tons this year, with annual increases over the next 2-3 years. The agreement with Cuba provides a credit line of $200 million in each of the next three years, against which Cuba is expected to purchase primarily grains. Argentine grain exports to Cuba are expected to double in 1984/85 over the previous year, to about 800,000 tons.

Argentina is apparently trying to reduce dependency on grain sales to the Soviet Union. Corn and sorghum sales to the USSR thus far in the 1984/85 Argentine marketing year (Mar-Feb) are behind last year's pace. Argentina is forecast to export a total of 11.2 million tons of coarse grains in 1984/85.

**Thailand: Based on preliminary data through April, the coarse grain export estimate for Thailand in 1983/84 (Oct-Sep) has been raised to 2.85 million tons, up 33 percent over the 1982/83. Increased sales to the Middle East (up 95 percent) and Africa (which did not import Thai corn in the first 10 months of 1982/83) were largely responsible. Thus far the USSR has purchased approximately 47,000 tons in the Oct-Sept 1983/84 marketing year, compared to 178,000 tons total in 1982/83.

**Brazil: CACEX, the foreign trade arm of Banco do Brazil, has offered for export 200,000 tons of corn by August 31, 1984. As a result, five Brazilian firms sold 168,000 tons to Spain, at prices ranging from US$123.50 to $137.00 f.o.b. The remaining 40,000 tons will be subject of another tender.

**PRC: Since May of this year about 182,000 tons of Chinese corn has been sold to the Republic of Korea, reportedly for feed and industrial uses. This is the latest example of the rapid growth in Sino-Korean trade which, because the two countries do not have formal diplomatic relations, is presumably carried out through Hong Kong traders. Scheduled delivery ranges between 10,000 to 30,000 tons monthly through October, with loadings most likely taking place at Dalian. The short distance to Korea enables Chinese corn to be landed at a substantial savings (about $20 per ton) under the CIF price for U.S. corn.

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTIONS 1/
(OCTOBER/SEPTEMBER--MILLION TONS)

Monthly Shipments	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
May 17	3.4	3.9	.1	.3
June 21	4.6	3.7	.4	.3
July 19	3.0	2.7	.2	.4
Aug. 23	3.5	3.7	.7	.5
Cumul. in MY	43.5	43.6	4.9	5.6

Monthly Sales 2/	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
May 17	3.1	2.6	.3	.4
June 21	3.5	2.4	.4	.2
July 19	2.9	2.3	.4	.4
Aug. 23	1.2	3.7	.5	.5
Cumul. in MY	48.0	48.6	5.7	6.1

Weekly and Annual Inspection Rates	CORN		Sorghum	
	MT	BU	MT	BU
Week Ending August 16	0.7	25.8	0.06	2.6
Week Ending August 23	0.8	28.8	0.09	3.7
Official Estimate for Current MY (Grain only)	46.6	1833	6.35	250
Implied Weekly Average	.9	35.3	.12	4.8
Latest Six Weeks Weekly Average	0.7	28.0	0.11	4.5
Marketing Year-To-Date Weekly Average	0.9	35.7	0.11	4.4
Weekly Avg. Extrapolated Annually	47.1	1854	5.82	229
Balance of Year to Achieve Estimate Implied Weekly Average	0.8	31.4	0.22	8.6

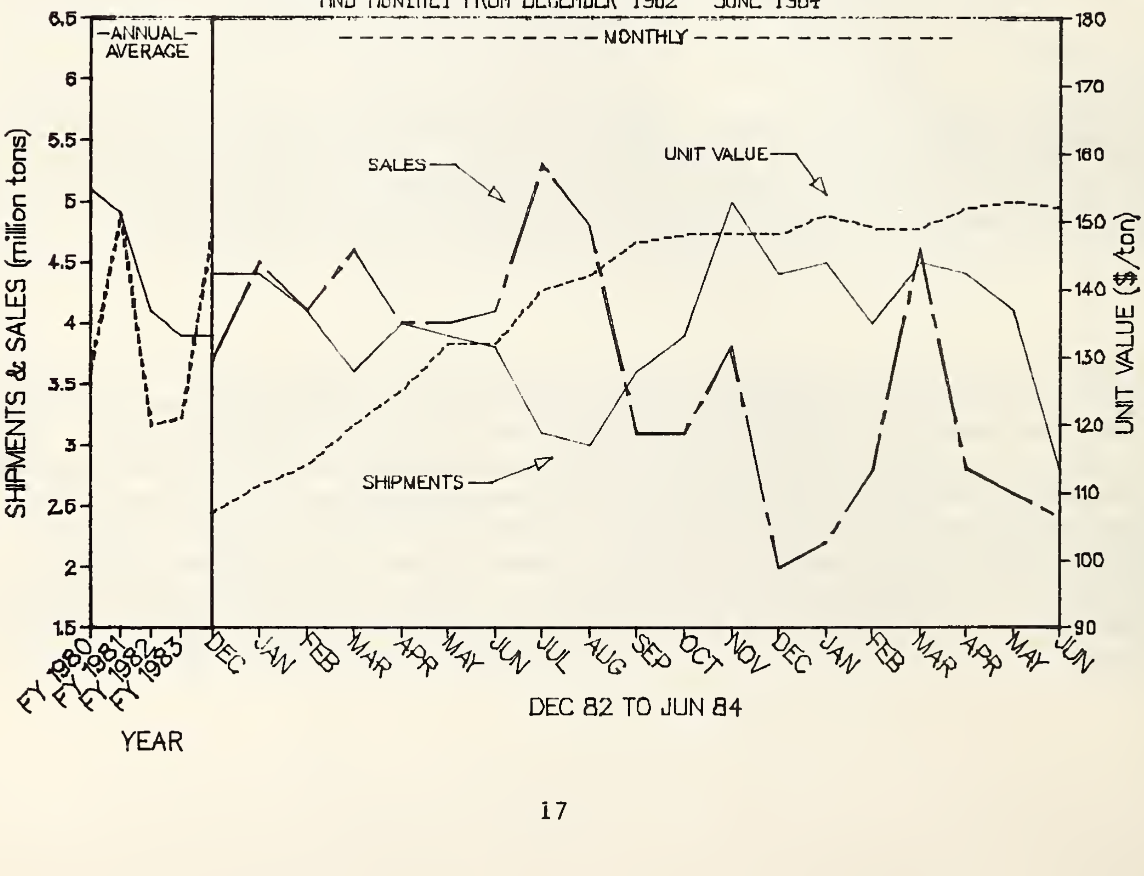
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.
* Denotes less than 50,000 tons.
Source: Export Sales; FGIS

CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

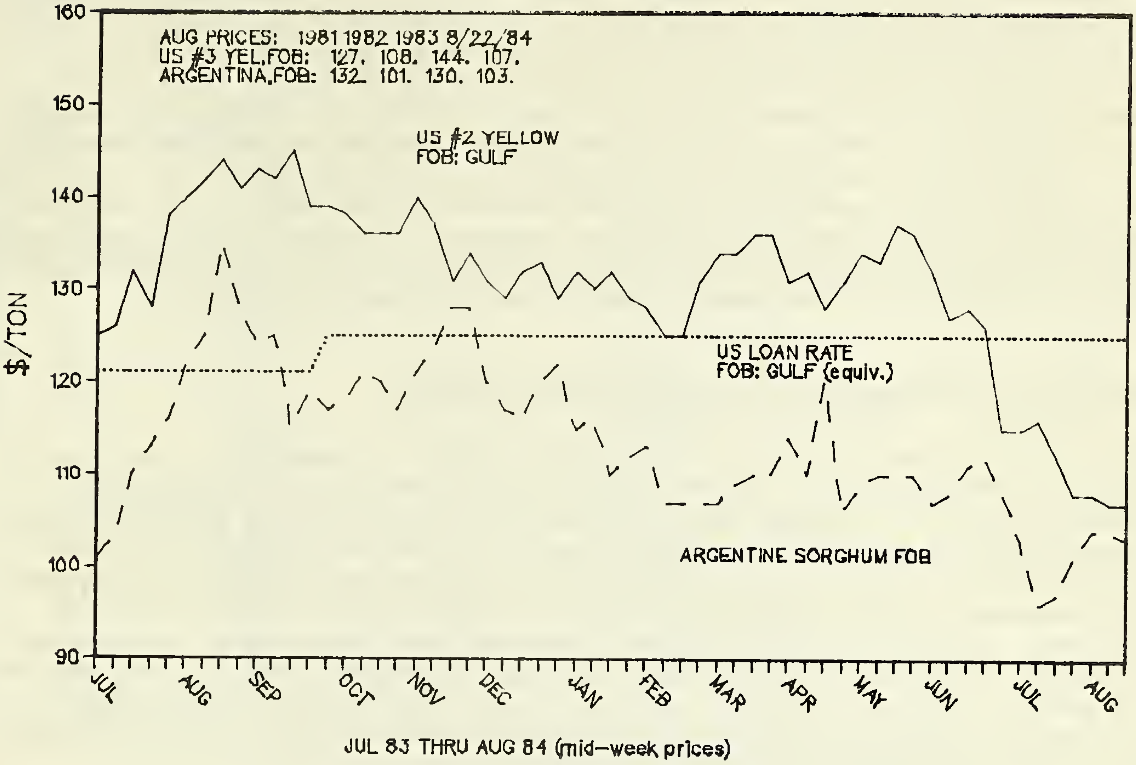
	SORGHUM		CORN					
	Argentina		Argentina		Thailand		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
May 17	.8	1.0	1.1	1.0	.2	.1	2.1	2.0
June 21	.9	.8	.9	.7	.1	.2	1.9	1.6
July 19	.6	.6	1.1	N/A	.1	.1	1.8	N/A
Aug. 23	.6	N/A	.7	N/A	*	N/A	1.3	N/A
Cumul. in MY	4.6	4.3	6.0	4.2	1.8	2.2	10.1	9.9
Total for Season 2/	4.9	5.5	6.4	6.3	2.2	2.8	13.5	14.6

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1983/84.
* Denotes less than 50,000 tons.

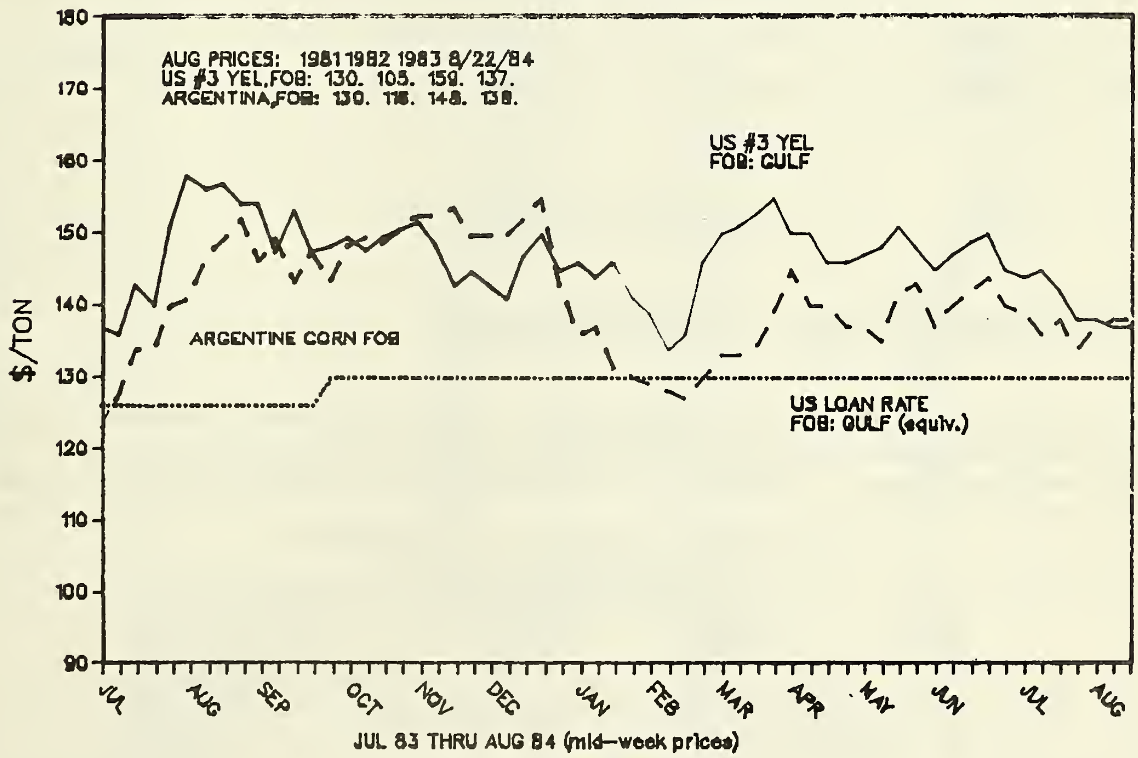
U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM DECEMBER 1982 - JUNE 1984



SORGHUM EXPORT PRICES
U.S. AND ARGENTINE



CORN EXPORT PRICES
U.S. AND ARGENTINE



Internal Price Policies of Foreign Countries

**Brazil: In an effort to stimulate production, the government of Brazil has increased the minimum price and production loans for the 1984/85 corn crop. Sowing for corn is expected to begin around September 1, 1984. Although corn producers will have a minimum price increase of about 250 percent, it will barely keep pace with Brazil's inflation rate, which at the end of July was 218 percent. The intent of the new production loan schedule is for farmers to assume more of the burden of production financing, given the constraints on the domestic money supply imposed by the IMF. It is not yet known whether the increases in these two programs will significantly stimulate corn production because Brazilian farmers are faced with sharply higher input costs, and the price of soybeans, a major export crop, is favorable.

Competitive Developments in Selected Foreign Markets

**EC: The EC imports of corn gluten feed (CGF) are expected to decline 20 percent in 1984 due to the cutback in EC milk production and the current favorable prices for soybean meal. As shown in the following table, a decline of this magnitude would place imports near the level of 1981 and 1982 when total EC imports appeared to be plateauing. Imports were up in 1983 because of an increase in cattle numbers, and a much higher than normal demand for mixed feed. Additionally, the price of soybean meal was strong relative to that of CGF, and CGF entered rations despite its price exceeding that for corn on occasion. Current EC demand for CGF is soft despite very weak prices. Demand is not likely to increase substantially unless the EC landed price of CGF becomes low enough to stimulate additional use in areas previously precluded by high transportation costs.

TOTAL EC IMPORTS OF CGF AND IMPORTS FROM THE U.S.
(1,000 TONS)

	1979	1980	1981	1982	1983	1984 (Estimate)
Total EC Imports	2,021	2,596	2,837	2,842	3,571	2,850
Imports from the U.S.	1,916	2,476	2,710	2,716	3,373	2,700

BARLEY, OATS AND RYE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

U.S. barley exports in June-May 1984/85 have been forecast at a revised 2.175 million tons as import demand remains strong and exportable supplies from Canada have tightened. Estimates for both oats and rye remain unchanged from last month.

U.S. EXPORTS OF BARLEY, OATS AND RYE
JUNE/MAY--1,000 TONS

Grain	1982/83	1983/84 1/	1984/85 2/
Barley	1,028	2,000	2,175
Oats	43	29	43
Rye	5	25	25

1/ Estimated.
2/ Projected.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

4 Weeks Ending 1/	U.S. 82/83	U.S. 83/84	CANADA 82/83	CANADA 83/84	FRANCE 2/ 82/83	FRANCE 2/ 83/84	U.K. 2/ 82/83	U.K. 2/ 83/84	Total 82/83	Total 83/84
May 17	.1	.1	.6	.5	.2	.1	.1	.1	1.0	.8
June 21	*	.1	.6	.4	.1	.1	.1	.2	.8	.8
July 19	*	*	.4	.2	.1	N/A	*	N/A	.5	N/A
August 23	*	.1	.4	N/A	.1	N/A	.1	N/A	.6	N/A
Cumulative	.6	1.8	4.3	3.7	1.1	.6	1.4	1.0	7.4	7.1
Total for Season	1.0	2.0	6.0	4.5	1.1	.8	1.4	1.3	9.5	8.6

1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1983/84.
N/A Not available.
* Less than 50,000 tons.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 8/23/83 1/	1984/85 Committed as of 8/23/84 1/
EC	301	112	360	42	59
Other W. Europe	472	226	441	19	370
Eastern Europe	111	--	126	--	--
Taiwan	373	146	223	131	53
Japan	336	119	372	141	259
Canada	128	--	--	--	--
Others	546	317	509	232	106
Total	2,267	920	2,033	565	847

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. OATS EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 8/23/83 1/	1984/85 Committed as of 8/23/84 1/
EC	4	--	5	--	--
Canada	1	--	--	--	--
Mexico	16	--	--	--	--
Venezuela	10	1	3	2	1
Others	87	3	1	--	--
Total	118	4	9	2	1

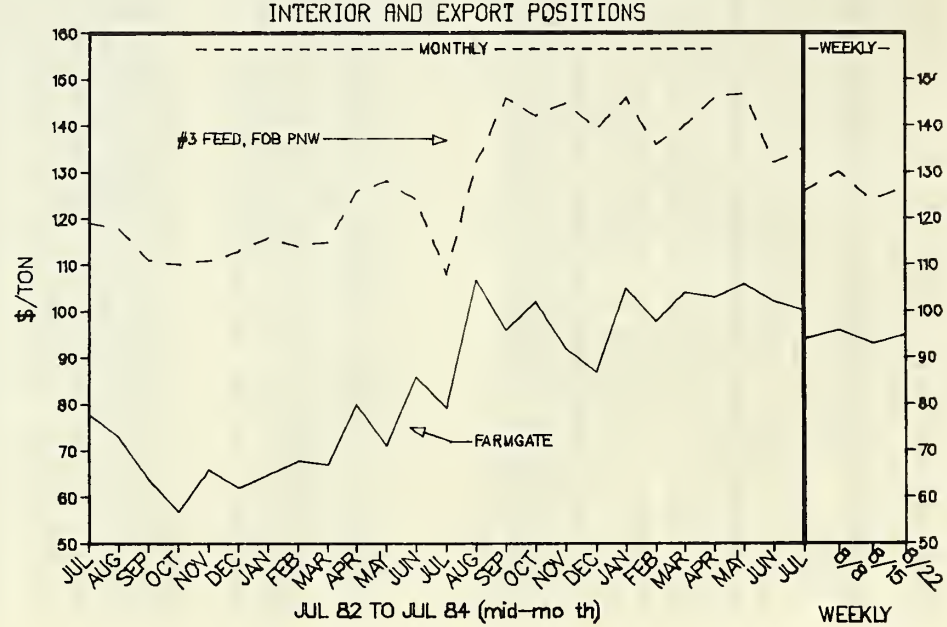
1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. RYE EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 8/23/83 1/	1984/85 Committed as of 8/23/84 1/
EC	1	--	3	--	--
Other W. Europe	13	--	--	--	--
Canada	15	--	--	--	--
Others	9	--	20	--	45
Total	38	--	23	--	45

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. FEED BARLEY PRICES
INTERIOR AND EXPORT POSITIONS



OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Competitive Developments in Selected Foreign Markets

**EC: The EC is likely to have a problem disposing of barley in 1984/85, and is therefore emphasizing exports to alleviate domestic supply and price pressures. As of Mid-August, export authorizations totalled 1.4 million tons, which is 4 times the level issued in each of the past several years on the same date. At this rate barley shipments will be sharply higher than the estimated 2.6 million tons shipped in 1983/84. Although a large barley harvest is expected in 1984, increasing quantities of low-priced domestic wheat are being used in feed rations, displacing barley, and preventing any major rise in domestic barley utilization. Wheat feeding did not create a surplus barley disposal problem last year because the Community had a short barley crop.

RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES 1/

Export Forecast. U.S. rice exports in 1984/85 (August-July) are forecast at 2.0 million tons (milled rice basis) reflecting limited prospects for export expansion in the new marketing year.

Shipments. U.S. rice exports during the 4-week period ending August 23 totaled 168,300 tons, up sharply from the previous 4-week total of 98,100 tons. Major destinations included Saudi Arabia, South Africa, and Belgium. Cumulative shipments for the new marketing year through August 23 totaled 129,800 tons, compared to 161,200 tons shipped by this date one year ago.

Sales. During the 4-week period ending August 23, new sales registrations for 1984/85 delivery totaled 291,300 tons, up sharply from the previous 4-week total of 146,800 tons. Commitments for 1984/85 delivery now total 629,100 tons, including approximately 170,000 tons carried over from the 1983/84 marketing year. This compares with total export commitments of 679,900 tons as of this date one year ago.

IMPORTER BUYING ACTIVITY

The level of new purchases was sharply lower last month as buyers reacted to the high prices resulting from heavy shipping schedules in July. Even with export prices for medium to high quality rice dropping by mid-August, prices for lower quality rice remained firm. While buyers continued to show interest in the lower qualities, even at the current high prices, export supplies were limited and sellers were reluctant to make any large commitments before new crop rice outturn becomes more certain.

ESTIMATED RICE IMPORT COMMITMENTS FOR SELECTED COUNTRIES
(CALENDAR 1984--1,000 TONS)

Buyer	U.S.	Thailand	Pakistan	Burma	Other	Total Committed 1/	Forecast Imports
India	10	285	--	425	--	720	725
Indonesia	54	120	15	65	365	620	500
Iran	--	380	145	--	145	670	680
Iraq	415	45	--	--	--	460	440
Nigeria	25	430	180	--	--	635	775

Discrepancies due to rounding.

1/ Shipments and sales data are on a product basis.

**Bangladesh: A Government of Bangladesh (GOB) team was reported to be traveling to Indonesia to discuss the purchase of part or all of approximately 100,000 tons of rice which Indonesia had contracted to buy from Taiwan. Given reports of reduced Indonesian import needs, GOB officials apparently hoped to assume the contract for Taiwanese rice to help bolster domestic stocks following heavy flood damage to the Boro and Aus rice crops in Bangladesh. Indonesian officials are reportedly interested in such an arrangement, but details are yet to be worked out.

**Iraq: In the July 20 tender, Iraq purchased 37,500 tons of U.S. #2/4% long grain rice at $431-441 per ton C&F. Iraq was also given an additional $35 million in GSM-102 credit guarantees for FY 1984, with an extension of the shipping schedule through December of this year.

**Mexico: CONASUPO was scheduled to tender on August 29 for 20,000 tons of long grain white rice, U.S. #5/20% or equivalent, for October delivery. Total purchases prior to this tender are estimated at 135,000 tons. The current USDA import forecast for CY 1984 is 155,000 tons, although there are reports that total import needs could be as much as 200,000 tons.

**Indonesia: Government held rice stocks at the end of July were a record 2.97 million tons, following a good 1984/85 main crop rice harvest. With total rice production in 1984/85 projected at more than 36.0 million tons (rough basis), Indonesia is reportedly seeking to delay or cancel part of its remaining import commitments for delivery this year. Total imports for CY 1984 are currently projected at only 500,000 tons, compared to total imports in 1983 of 1.2 million tons. Actual imports through July of this year are estimated at 380,000 tons.

MARKET OPPORTUNITIES

**Iraq: The State Grain Trading Corportation is reported to be tendering for 37,500 tons of U.S. #2/4% long grain rice. Awards are to be announced September 5.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Due to the lack of significant new business for medium to high quality rice, the Thai Board of Trade posted prices for 100% B and parboiled 5% fell to $275 per and $270 per ton, respectively. Actual prices are reported to be around $265 for 100% B and $260 for parboiled 5%. Prices for top quality U.S. rice have also fallen during the past month, with prices on the last Iraqi business at around $400-$405 per ton for U.S. #2/4% long grain.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1981/82-1983/84, AND AUGUST 1 THROUGH AUGUST 23 for 1984/85
(AUGUST/JULY—1,000 TONS)

Destination	Marketing Year	Long Grain Milled	Long Grain Brown 2/	Other 1/ Milled	Other 1/ Brown 2/	Total Exports
EC 10	1981/82	2	310	56	192	560
	1982/83	1	214	15	—	230
	1983/84	29	192	2	70	293
	1984/85	1	80	4	—	85
Other W. Europe	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	23	35	3	138	199
	1984/85	12	5	1	20	39
E. Europe & USSR	1981/82	*	—	*	—	*
	1982/83	*	—	*	—	*
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	—
Iran	1981/82	85	—	—	—	85
	1982/83	—	—	—	—	—
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	—
Iraq	1981/82	270	—	*	—	270
	1982/83	327	—	*	—	327
	1983/84	230	—	2	—	232
	1984/85	151	—	1	—	152
Saudi Arabia	1981/82	250	—	15	—	265
	1982/83	267	—	2	—	269
	1983/84	253	—	6	—	253
	1984/85	79	—	1	—	80
Other Middle East	1981/82	106	8	17	3	135
	1982/83	48	—	2	—	50
	1983/84	40	—	12	—	52
	1984/85	11	—	1	—	12
Republic of Korea	1981/82	—	—	*	339	339
	1982/83	—	—	*	213	213
	1983/84	—	—	*	112	112
	1984/85	—	—	—	—	—
Other Asia & Oceania	1981/82	4	—	38	—	43
	1982/83	2	—	129	—	132
	1983/84	3	—	140	—	143
	1984/85	2	—	2	—	4
Nigeria	1981/82	347	—	—	—	347
	1982/83	159	—	—	—	159
	1983/84	63	—	—	—	63
	1984/85	—	—	—	—	—
Other Africa	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	95	150	136	—	381
	1984/85	81	3	43	—	127
W. Hemisphere	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	156	24	109	14	303
	1984/85	29	10	3	10	53
Total 3/	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	900	401	408	338	2,043
	1984/85	382	97	56	94	629

* Less than 500 tons.
1/ Includes medium, short, and mixed.
2/ Data not converted to a milled equivalency. Includes rough rice.
3/ Discrepancies due to rounding and changes to unknown destinations.
SOURCE: U.S. Export Sales.

**Thailand: Exports continued at a heavy rate during the past month. Total imports through August 18 were 3.03 million tons, nearly 40 percent above the 2.18 million tons shipped as of this date one year ago.

WEEKLY THAI RICE EXPORTS

Week Ending	Actual	4-Week Moving Avg.
July 21	113,475	113,276
July 28	135,351	112,083
August 4	99,376	106,693
August 11	94,130	110,583
August 18	63,637	98,123

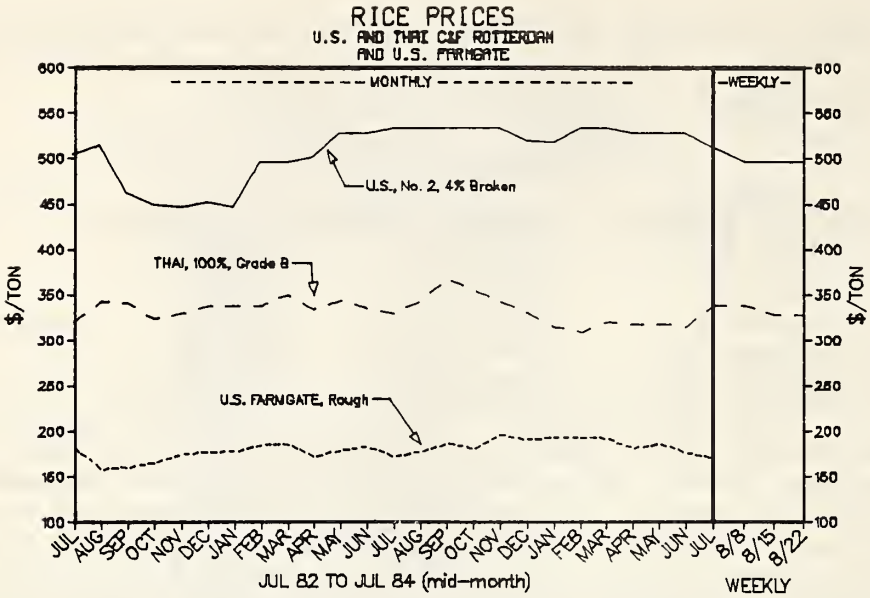
Exporters were reported to be taking a go-slow attitude in new export sales, as local prices rose sharply during July in reaction to heavy shipments scheduled for July and August. The Ministry of Commerce reportedly turned down a request from India for an additional 200,000 tons because of the sale's probable impact on local prices. As a result, new sales during the past month were only an estimated 150,000-160,000 tons. Total export commitments for delivery in calendar year 1984 are estimated at 4.2 million tons, compared to projected total exports of 4.1 million tons.

**Pakistan: The Rice Export Corporation of Pakistan (RECP) rejected bids on the July 19 tender for 20,000 tons of 20/25% brokens and 10,000 tons of 30/35% brokens, but retendered on July 31 and sold the 20/25% at about $250 per ton and the 30/35% at $244 per ton. RECP reportedly will have 20,000-30,000 tons of brokens to offer sometime in September, but may not make further sales until October or November. Export commitments for delivery in CY 1984 are currently estimated at nearly 1.1 million tons, against projected exports of 1.3 million tons. Actual exports through July totaled approximately 705,000 tons.

**Burma: In the past month, MEIC, the government export monopoly, reportedly made new sales totaling only about 14,000 tons, reflecting the current limited amounts of exportable supplies. MEIC is expected to have approximately 50,000 tons of various qualities available for sale in September through October, but may also try to sell up to 200,000 tons of 1984-85 crop rice to India or Bangladesh. Total CY 1984 export commitments are estimated at nearly 890,000 tons, compared to the current export forecast of 850,000 tons. Shipping delays continue to be the norm, but exports through July are estimated at 550,000 tons, well ahead of last year's pace when exports for the year totaled 750,000 tons.

**Japan: The cold, wet spring caused concern about a fifth consecutive year of weather-reduced rice outturn. But since mid-June, long-term forecasts for August, September and October call for normal to above-average temperatures throughout most of Japan, which should greatly benefit the rice crop due to be harvested in September/November. (USDA is currently forecasting 1984 production at 13.9 million tons--paddy basis.)

Four successive poor crop years and the loss of at least 58,000 tons of old crop rice due to bromine contamination had forced the GOJ to import 150,000 tons of rice (brown basis) from South Korea. Current forecasts suggest that Japan will not require additional rice imports this year or in early 1985, dimming hopes for possible U.S. rice exports to Japan, although the stocks situation will remain tight.



RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN JULY 28 and AUGUST 29, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price $/MT 2/	Delivery Period	Date of Report
Belgium	U.S.	56.7	various	N/A	N/A	8/23
Cameroon	Thailand	10.0	35%	N/A	N/A	8/3
El Salvador	U.S.	1.8	#5/20% MG	274 4/	Aug	8/2
Madagascar	Thailand	25.0	A-1 S	N/A	N/A	8/24
Saudi Arabia	U.S.	8.9	N/A	N/A	N/A	8/9
		20.1	N/A	N/A	N/A	8/16
Senegal	Thailand	24.0	N/A	N/A	N/A	various
Singapore	Burma	12.0	5%	246	Sep/Oct	8/7
Syria	Thailand	24.0	100% C	286 3/	Sep/Oct	8/24
Vietnam	Thailand	10.0	A-1 S	226	Aug/Sep	8/3
		20.0	A-1 S	N/A	N/A	8/3
Yemen	U.S.	5.2	P #2/4%	385 4/	Sep	8/3
Zambia	U.S.	7.0	#5/20% MG	259 4/	Sep	8/24
N/A	Burma	1.7	F/Bld 12%	125	Aug	7/29
N/A	Pakistan	20.0	20/25%	250	N/A	8/1
		10.0	30/35%	244	N/A	8/1
N/A	Thailand	10.0	A-1 S	N/A	N/A	8/3

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B = Brown, F = Fragrant, L/Bld = Long, Boiled, F/Bld = Full Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ C&F
4/ FAS basis, PL-480 sale.

N/A Not available.

RECENT THAI RICE SALES

Destination	Quantity (1,000 MT) Current	Est. Cumulative 1/	Quality 2/	Price $/MT 3/	Delivery	Date of Report
Algeria	5.4	5.4	100% B	N/A	N/A	8/24
Cameroon	10.0	42.9	35%	N/A	N/A	8/3
Israel	3.9	17.3	5%	N/A	N/A	various
Italy	1.6	79.6	5%	N/A	N/A	8/24
Madagascar	25.0	130.4	A-1 S	N/A	N/A	8/24
Malaysia	8.0	281.4	100% B	N/A	N/A	8/24
Nigeria/West Africa	1.9	67.0	P 5%	N/A	N/A	8/3
Saudi Arabia	2.0		P 100%	N/A	N/A	various
	1.0	57.5	P 5%	N/A	N/A	8/16
Senegal	5.0		A-1 Spec	N/A	N/A	8/10
	5.0		A-1 Spec	N/A	N/A	8/16
	14.0	378.2	A-1 Spec	N/A	N/A	8/24
Seychelles	2.0	2.0	10%	N/A	N/A	8/16
Singapore	2.4	128.0	100% C	N/A	N/A	8/10
South Africa/Mozambique	1.0		P 10%	N/A	N/A	8/3
	2.0	25.6	P 100%	N/A	N/A	8/24
Syria	24.0	121.0	100% C	286 4/	Sep/Oct	8/24
Tunisia	5.0	5.0	5%	N/A	N/A	8/29
Vietnam	10.0		A-1 S	226	Aug/Sep	8/3
	20.0	166.9	A-1 S	N/A	N/A	8/3
Zaire	2.8	12.9	25% S	N/A	N/A	8/10
N/A	10.0		A-1 S	N/A	N/A	8/10

1/ For all qualitites for 1984 delivery.
2/ P=Parboiled, B/5% = Brown rice 5% brokens, etc., F=Fragrant
3/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
4/ C&F

N/A = not available

**Brazil: New minimum support prices for rice and other commodities were announced in August, with scheduled increases above 1983/84 levels of 221.4 percent for upland rice and 219.0 percent for irrigated rice. The price increases were somewhat higher than the 1983 annual inflation rate of 217.9 percent, and public reaction was reportedly favorable. The new price levels are expected to stimulate rice production in 1984/85, resulting in reduced imports and possibly larger exports in CY 1985. Brazil has been a net importer of rice since 1979, with estimated imports of 400,000 tons in CY 1983. Current forecasts for CY 1984 place imports at 150,000 tons, although exports of as much as 50,000 tons are also expected.

U.S. EXPORT EXPANSION ACTIVITIES

**GSM-102: Iraq has received an additional $35 million of credit guarantees for FY 1984, with the shipping deadline extended through December of this year. As of August 30, the Commodity Credit Coporation had available credit guarantees totaling $39.9 million. The outstanding credit lines were: Iraq ($39.3 million) and Portugal ($0.6 million).

**PL-480: During the past month, El Salvador, Yemen and Zambia made rice purchases under Title I totaling 14,000 tons. Purchase authorizations were also issued for Bangladesh and Peru for $13.0 million. The following table outlines the current status of FY 1984 PL-480 Title I-III programs.

STATUS OF P.L. 480 TITLE I/III RICE PROGRAMS FOR FY 1984

Country	Allocation $Million	Agreement Signed	P.A. Issued	Tender Results Date	TMT Purchased	Price $/MT FAS	Quality 1/
Completed							
El Salvador	1.2	X	X	12/22	4.4	271-272	MG
Liberia	15.0	X	X	1/09	42.1	336-344	LG, P
Bangladesh	15.0	X	X	1/11	55.7	269	MG
Madagascar	7.0	X	X	3/22	24.4	287	MG
Sierra Leone	1.0	X	X	3/26	3.4	294	MG
Indonesia	15.0	X	X	3/27	53.8	279	MG
Somalia	5.5	X	X	4/25	18.8	290-295	MG
Jamaica	5.0	X	X	6/18	16.3	303-307	MG
Guinea	5.0	X	X	7/18	17.9	268-283	MG
El Salvador	0.5	X	X	8/2	1.8	274	MG
Yemen	2.0	X	X	8/3	5.2	385	LG,P
Zambia	1.8	X	X	8/24	7.0	259	MG
Subtotal	74.0				250.8		
Pending							
Bangladesh	3.0	X	X				
Peru	10.0	X	X				
Subtotal	13.0						
Total	87.0						

1/ No. 5/20 percent unless otherwise indicated, P=Parboiled, MG=Medium Grain, and LG=Long Grain.

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250, Tel. (202) 447-2009.

U.S. WHEAT PROGRAMS

	1982 Program		1983 Program		1984 Program	
	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)
Trigger Release Price	$208	$4.65	—	— 2/	—	—
Target Price	$186	$4.05	$195	$4.30	$198	$4.38
Loan (Reserve)	$184	$4.00	$171	$3.65	—	—
National Loan	$167	$3.55	$171	$3.65	$158	$3.30
Season Average Producer Price	$166	$3.53	$169	$3.60 3/	$154-$165	$3.20-$3.50
Current Farm Price	—	—	$170	$3.63 4/	—	—
Paid Diversion	—	—	$136	$2.70	—	—

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ Mid-point range.
4/ ASCS 5-day moving average as of May 22, 1984.

U.S. CORN PROGRAMS

	1982 Program		1983 Program		1984 Program	
	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)	Equivalent Export Price 1/ ($/Ton)	Farm Price ($/BU)
Season Average Producer Price	$136	$2.65	$173	$3.60 2/	$104-$126	$2.65-$3.20
Trigger Release Price	$156	$3.15	—	— 3/	—	—
Current Farm Price	—	—	$157	$3.14 4/	—	—
Target Price	$138	$2.70	$144	$2.86	$151	$3.03
National Loan	$132	$2.55	$136	$2.65	$132	$2.55
Loan (Reserve)	$146	$2.90	$136	$2.65	—	—
Paid Diversion	—	—	$91	$1.50	—	—

1/ Estimated equivalent, adjust from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Mid-point of range.
3/ Not yet announced.
4/ ASCS 5-day moving average as of May 22, 1984.

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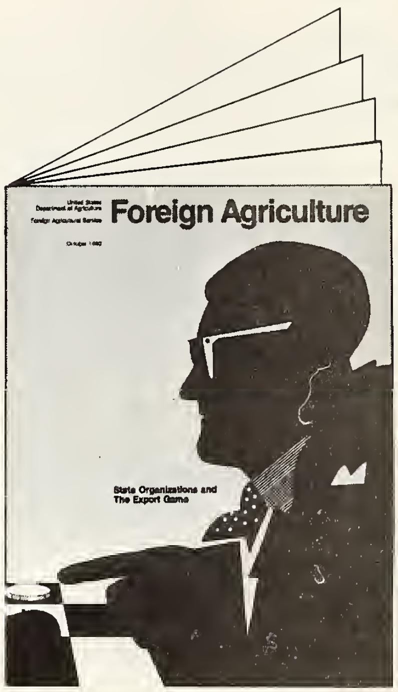

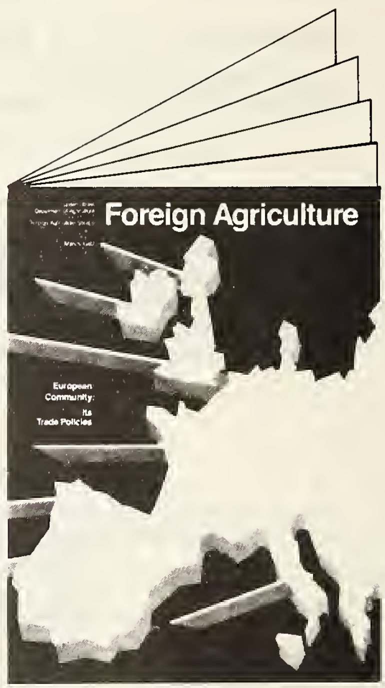

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FMG-9-84
SEPTEMBER 1984

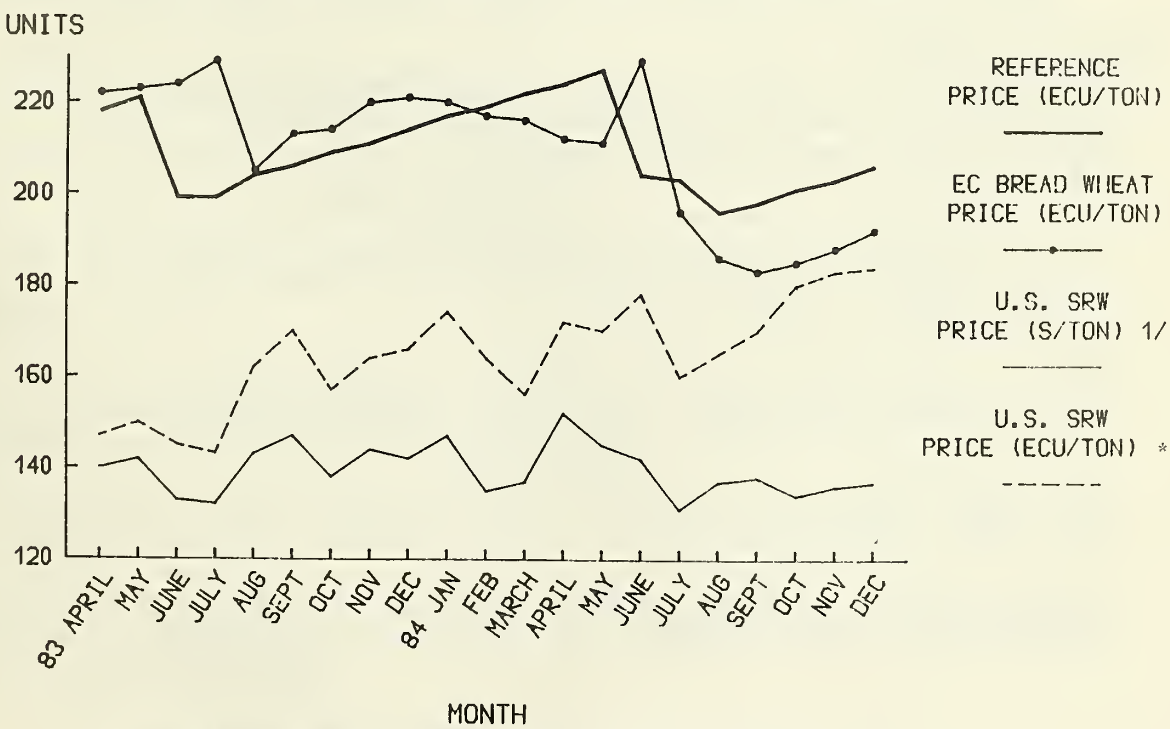
EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES

This month's cover highlights the narrowing gap between European Community's (EC) and world prices; if this continues, the EC may be in a position to export wheat without the necessity of a restitution. In part this situation is brought about by the strengthening dollar, but it also reflects the price and supply conditions within the Community. In recent years, the EC has widened the spread between the target/threshold price and the intervention price. This has resulted in surplus and low quality grain prices falling marginally in terms of U.S. dollars, while the internal market continued to be protected against imported grain by an increasing threshold price level. This year, a four-month delay in the payment for grain delivered into intervention has accentuated the spread between farm prices and the threshold price. In addition, the exceptionally large crop this year has overwhelmed the 3 million-ton limited intervention for bread-making wheat and probably caused prices to fall lower relative to the support level than would normally occur.

The EC-world price relationship takes on a special current significance because: (1) The EC has an exceptionally large crop with an exportable surplus of roughly 10 million tous above last year, (2) Heretofore because of its insulated market and desire to avoid being seen as dumping surplus wheat on the world market, the Community has been limiting its wheat export volume to approximately 14 percent of current world trade, (3) Since wheat supplies are extremely large in the United States and unusually small in other exporting countries, any increase in EC exports would have direct adverse effect on the level of U.S. exports. In addition, because of generally strong world demand conditions, any increase in EC exports could have a disproportionate impact on world prices and returns to wheat producers in all the traditional wheat exporting countries.

In addition to the cover graph, other graphs, commentary and background data on this subject appear on page 26.

EC & WORLD PRICES FOR MILLING WHEAT



1/ October-December 1984 are September quotes for forward delivery and are converted at September ECU rates.

* Converted at prevailing exchange rate; the ECU equivalent is also adjusted downward by 5 ECU's for the entire period so as to reflect assumed differential for quality and location.

EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES
September 29, 1984

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HIGHLIGHTS

The U.S. wheat export forecast continues to increase as a result of larger world import requirements and an expected decline in Canadian and Argentine export availabilities. Any expansion of import demand is expected to be supplied by either the U.S. or the European Community. For coarse grains also, until Argentine corn and Australian barley become available, the U.S. is in an excellent position to supply any unexpected increases in world import needs. U.S. rice export prospects in calendar year 1985 have improved, with heavier-than-expected sales to date and expected strong demand for U.S. rice in Iraq, Saudi Arabia, South Africa, and the Middle East.

Major developments affecting U.S. exports over the past month include:

--Pakistan is expected to import large quantities of wheat to replenish government stocks and maintain adequate supplies.

--Brazil's wheat crop was damaged by freezing temperatures during the critical growth stage and will require supplemental milling wheat imports.

--Algeria has made efforts to ease port congestion which in the past has hampered wheat imports.

--Syria will import nearly double the record amount of wheat from last year, as preferences for wheat-based foods continue to grow strongly.

--The EC is faced with a huge wheat crop and could exceed its voluntary limit on exports if subsidies are not needed.

--Yemen purchased U.S. wheat on commercial terms for the first time since the blended credit program of 1983.

--The Soviet Union continued its heavy purchases of U.S. grain, particularly corn, and is forecast to equal its previous record import level.

--Turkey has had two succesive short barley crops and will be a significant feed grain importer this year. However, due to previous commitments, they will also be an exporter.

--China has a large surplus of corn to export, and has made recent sales to Japan.

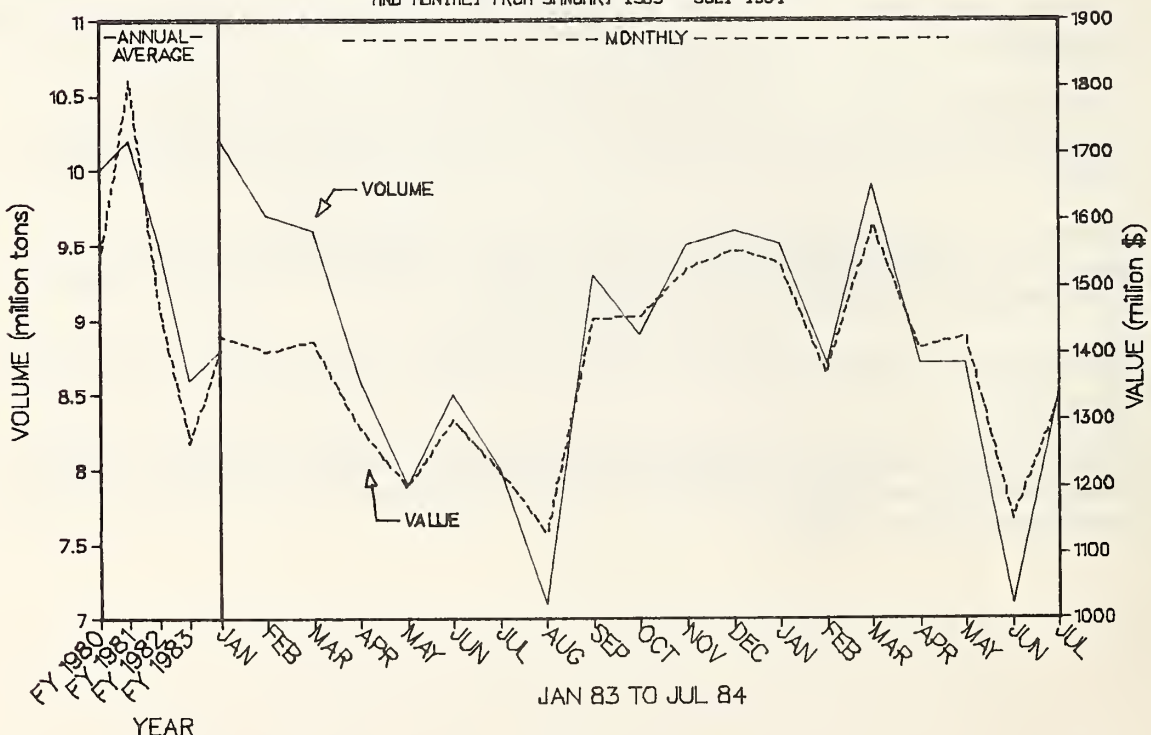
--The German Democratic Republic will sharply reduce its total imports because of record grain production, but could need corn to satisfy short term consumption needs.

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1984 AND COMPARISON WITH PRECEEDING YEAR

	JULY		CUMULATIVE OCT THRU JULY		ACTUAL EXPORTS	PROJECTED EXPORTS
	FY 83	FY 84	FY 83	FY 84	FY 83	FY 84
WHEAT (grain only)						
Quantity (1000 tons)	3,176	3,627	31,063	31,116	36,751	38,000
Value Per Ton (dollars)	154	148	161	158	161	158
Value (in million dollars)	489	536	5,002	4,909	5,918	6,004
CORN (grain only)						
Quantity (1000 tons)	3,136	3,256	40,473	40,831	47,105	46,180
Value Per Ton (dollars)	140	152	118	150	121	150
Value (in million dollars)	440	496	4,757	6,129	5,717	6,927
SORGHUM (grain only)						
Quantity (1000 tons)	416	556	4,286	5,096	5,403	5,715
Value Per Ton (dollars)	132	135	119	137	122	135
Value (in million dollars)	55	75	510	697	661	772
BARLEY, OATS, AND RYE (grain only)						
Quantity (1000 tons)	28	37	517	1,590	990	2,260
Value Per Ton (dollars)	107	108	112	138	121	135
Value (in million dollars)	3	4	58	220	120	305
TOTAL COARSE GRAINS (grain only)						
Quantity (1000 tons)	3,580	3,849	45,276	47,517	53,498	51,155
Value Per Ton (dollars)	139	149	118	148	121	148
Value (in million dollars)	498	575	5,325	7,046	6,498	8,004
RICE (grain only)						
Quantity (1000 tons)	163	156	1,707	1,769	2,209	2,200
Value Per Ton	417	397	402	412	396	410
Value (in million dollars)	68	62	686	728	874	902
PULSES						
Quantity (1000 tons)	36	26	402	336	457	400
Value Per Ton (dollars)	417	423	408	458	416	440
Value (in million dollars)	15	11	164	154	190	176
FLOUR AND OTHER GRAIN PRODUCTS						
Quantity (1000 tons-gr. equiv)	354	252	2,283	2,449	3,448	2,725
Value Per Ton (dollars)	127	214	188	205	165	211
Value (in million dollars)	45	54	429	502	569	575
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS						
Quantity (1000 tons)	653	579	5,888	5,852	6,991	7,000
Value Per Ton (dollars)	158	161	163	172	164	171
Value (in million dollars)	103	93	958	1,007	1,145	1,200
TOTAL VOLUME (in thousand tons)	7,980	8,466	86,991	88,996	103,337	105,170
TOTAL VALUE (in million dollars)	1,222	1,331	12,612	14,346	15,194	16,861

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM JANUARY 1983 - JULY 1984



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. The U.S. wheat export estimate for June-May 1984/85 continues to increase and is now forecast at 41.5 million tons. With an expansion in overall world wheat trade expected in 1984/85 and lower available supplies in Canada and Argentina, the United States is in a good position to supply any increase in world import demand.

Shipments and Sales. Shipments of U.S. wheat for the period ending September 20 continued their strong pace and generated a new record level for a 4-week period of over 5 million tons. Sales also continued at a brisk pace, as large commercial sales to the USSR were reported, and Brazil and Morocco made late-season purchases under outstanding CCC credit lines and PL-480 authorizations.

IMPORTER BUYING ACTIVITY

The Soviet Union continued active in U.S. wheat markets, purchasing to cover their record import needs, but Chinese purchases continue to lag. Flooding in wheat-growing regions of Bangladash will mean increased import demand, and Pakistan will need large imports to make up for a short wheat harvest.

WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN AUGUST 31, 1984 AND SEPTEMBER 27, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
9/5	Brazil	U.S.	198,000	NRW 11%	157.94 @ 158.55	Nov/Jan
9/12	Brazil	U.S.	198,000	HRW 11%	159.29 @ 159.55	Dec/Jan
9/19	Brazil	Argentina	100,000	?	143.95 @ 145.44	Dec/Jan
9/19	Brazil	U.S.	198,000	HRW 11%	157.58 @ 157.98	Dec/Jan
9/14	Chile	U.S.	23,000	NRW	159.90	Oct
9/12	Ecuador	U.S.	55,000	NRW 12%	182.00 C&F	Nov/Dec
9/5	El Salvador	U.S.	21,377	HRW, HAD, HRS	135.92	Sept
9/4	Egypt	U.S.	200,000	SRW, WW	?	Sept/Oct
9/6	Egypt	U.S.	40,000	SRW	133.54 @ 146.80	Oct
			50,000	WW	133.54 @ 146.80	Oct
9/13	Indonesia	U.S.	500,000	NRS 14%	173.19 A 175.70	Sept
9/5	Japan	U.S.	92,188	WW, HRW, NRS	?	Nov
9/5	Japan	Canada	15,500	CWRS	?	Nov
9/5	Japan	Australia	16,000	ASW	?	Nov
9/12	Japan	U.S.	94,941	WWW, HRW, HRS	?	Nov
9/12	Japan	Canada	17,800	CWRS	?	Nov
9/12	Japan	Australia	15,000	ASW	?	Nov
9/19	Japan	U.S.	67,947	WW, HRW, HRS	?	Nov
9/19	Japan	Canada	36,247	CWRS	?	Nov
9/26	Jordan	U.S.	25,000	HRW	177.00 C&F	Oct
9/26	Jordan	Uruguay	15,000	?	164.00 C&F	Nov
9/6	Kenya	U.S.	30,622	HRW 11%	157.97 @ 158.47	Sept
8/17	Korea	U.S.	24,000	WW, HRW, HRS	Various	Oct
8/31	Korea	U.S.	23,600	WW, NRW, NRS	Various	Oct/Nov
9/27	Korea	U.S.	16,500	WW, HRW, NRS	Various	Dec
9/12	Morocco	U.S.	170,000	SRW	150.40 @ 154.70 C&F	Oct/Nov
9/21	Morocco	U.S.	200,000	SRW	152.95 @ 154.95 C&F	Nov/Dec
9/14	Peru	U.S.	30,000	HRW 11%	159.48	Nov
9/17	Peru	U.S.	45,000	HRW 11%	158.09	Nov
9/21	Peru	U.S.	71,000	HRW 11%	159.62 @ 160.47	Oct/Dec
9/17	Philippines	U.S.	50,000	HRW 14%	176.36 @ 197.72 C&F	Oct/Dec
9/27	Philippines	U.S.	25,000	WW	143.11	Dec
9/19	Portugal	U.S.	20,000	HRW 11%	157.35	March
9/26	Portugal	U.S.	30,000	HRW	158.60	March/April
8/31	Sierra Leona	U.S.	6,724	NRW 12.8%	142.82	Sept
8/31	Syria	Can/U.S.	85,000	WW	161 @ 163.85 C&F	Nov
8/31	Syria	Bulgarie	30,000	Semi-hard wheat	163.00 C&F	Nov
8/31	Syria	Can/U.S.	70,000	NRS	176.80 @ 177.80 C&F	Nov
8/31	Syria	Can/U.S.	25,000	HRW	177.50 C&F	Nov
9/12	Syria	U.S.	100,000	WW	164.00 C&F	Nov
			50,000	HRW	182.0 C&F	Nov
9/12	Syria	France	50,000	soft wheat	151.00 C&F	Nov
9/25	Taiwan	U.S.	41,000	WW	Various	Nov/May
9/25	Taiwan	U.S.	20,000	NRS 14.5%	Various	Nov/May
9/4	Tunisia	U.S.	50,000	HAD	197.25 @ 197.50 C&F	Nov
9/26	Turkey	U.S.	150,000	SRW	144.00	Oct/Nov
9/4	Yemen	U.S.	100,000	WW	160.00 C&F	Sept/Nov
9/11	Zaire	U.S.	23,171	HRW 12.5%	145.40	Sept
				NRS 13.5%	142.34	Sept
9/20	Zaire	U.S.	6,485	Flour	220.24 FAS	Sept

1/ HRW=Hard Red Winter, NRS=Hard Red Spring, SRW=Soft Red Winter, HAD=Nard Amber Ourum, WW=Western White ASW=Australian Soft White, CWRS=Canadian Western Red Spring
2/ FOB unless otherwise noted.
3/ FN denotes first half; LH, last half.

U.S. MARKET OPPORTUNITIES

**Pakistan: A draw-down in government of Pakistan (GOP) wheat stocks and lower than expected procurement from a short crop has caused the GOP to consider importing 300,000 tons of wheat for November-January delivery, perhaps during October of this year. Some of the draw-down can be attributed to Afghan refugees and it is the desire of the GOP to maintain adequate supplies since wheat is an essential consumer item. Pakistan has become self-sufficient in wheat production only recently, but imported an average of 400,000 tons the past three years under various aid programs for the refugees. The last commercial wheat tender was held in Washington three years ago, and if the decision to import is forthcoming, it is expected that details will again be released from the Pakistani embassy.

**Brazil: Late August freezing temperatures in the state of Rio Grande do Sul have damaged the wheat crop, now forecast at 1.8 million tons. Excessive moisture conditions existed prior to the freeze which hampered growth during the critical flowering and filling stages. This drop in domestic supplies available for milling will likely require an additional 200,000 tons of wheat imports, and could increase Brazil's import forecast for 1984/85 above the current level of 4.2 million tons.

**Algeria: Higher imports of wheat as grain and lower semolina imports are expected in 1984/85 due to growing consumption and efforts made to reduce port congestion, which will allow a more orderly flow of imports. Competition for Algeria's durum market is expected to come mainly from Greece, which has a bumper crop reported to be of high quality. Total wheat imports by Algeria in 1984/85 (July-June) are now forecast at 2.65 million tons.

**Syria: Record wheat imports are expected in Syria this year, up to 1.4 million tons, which is nearly double the record of last year. Availability of credit will remain important due to foreign exchange constraints. Efforts are being made to clarify Syrian tender requirements which in the past may have inhibited U.S. exporters from making offers to this growing wheat market.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**U.K.: Record wheat production forecast for 1984/85 at 13.8 million tons can largely be attributed to a larger area planted to wheat and a switch to higher-yielding, lower-quality winter seed varieties. There are three winter wheat seed certifications in the U.K., and the amount of class III, which is for feed wheat only, has increased 33 percent over the quantity certified for the 1983/84 winter wheat crop. This comes at the expense of higher-quality classes I and II, which are used for milling and show a corresponding decrease. Some estimates place U.K. wheat production in 1984 at even higher levels, which they attribute to near perfect growing conditions. This trend of increasing U.K. production will no doubt further exacerbate the problem of disposing of the growing surplus of European Community (EC) wheat.

**EC: The EC is now facing a record wheat harvest of more than 72 million tons that will strain domestic utilization plans and intensify pressure to export much of the surplus. Commercial soft wheat exports are normally subsidized, and the community has voluntarily limited those subsidized exports to 14 percent of world exports—about 14 million tons in 1984/85. In recent months, however, the export subsidy, or restitution, has dropped from $40-50 per ton to about $2 as the dollar has strengthened and the gap between EC and world market prices has disappeared. Since EC officials have already indicated that unsubsidized wheat exports will not count against the 14 million ton limit, the EC could export several million tons of its wheat surplus if their domestic prices remain weak, the dollar remains strong, and the import markets are available. The Commission has reportedly authorized a large volume of exports under two special tenders, but the necessary contracts have not been submitted for validating the export licenses, and to date no business has been done. Recent weakness in the U.S. dollar vis-a-vis the French franc, however, would temporarily forestall requests to export at zero restitution (subsidy). Authorization for subsidized soft wheat exports already total 4.1 million tons compared to only 3.1 million tons last year when the Community went on to export a record 16.5 million tons.

Competitive Developments in Selected Foreign Markets

**Sweden: The first major sale of Swedish grain to the USSR in a number of years has been reported--250,000 tons of wheat and 50,000 tons of oats. Delivery of the grain is to take place between October and April 1985, and will account for 22 percent of Sweden's total grain exports in 1984/85, which are forecast at 1.4 million tons.

**USSR: Record 1984/85 Soviet wheat imports are proving to be a bonanza for French wheat sellers this year. Recent reports from the U.S. Embassy in Paris indicate that France has sold the Soviet Union between 3.7-4.3 million tons for delivery by February 1985. With France having record large wheat supplies, additional sales for the balance of the 1984/85 marketing year are likely. In recent years, French wheat trade with the Soviet Union has increased sharply, peaking in 1983/84 at nearly 3.5 million tons. However, the level of sales to date suggest that 1984/85 trade could easily set a new record.

**Egypt: The Egyptian Ministry of Supply recently reported that Australia has agreed to grant Egypt 40,000 tons of wheat flour. This is unusual in that this annual grant is usually in the form of wheat. The announcement was made in anticipation of a planned Australian Wheat Board visit to Cairo in October, which is expected to result in a new wheat supply agreement.

**Brazil: As part of a recent tender, Brazil bought 100,000 tons of Argentine wheat and 198,000 tons from the United States. The Argentine wheat was purchased at about a $12 per ton discount to U.S. wheat. Brazilian bankers say that Brazil has exhausted all of its CCC credit with the September 18 tender. Brazil has scheduled a tender for additional wheat in December.

**Saudi Arabia: The Saudi Commerce Minister stated that a feasibility study for developing a National Wheat Stockpile is planned. The stockpile would be in addition to a proposal for a food reserve within each of the six Arab Gulf states that is currently being studied. Rising wheat production, which is estimated at 1.3 million tons this year, offers Saudi Arabia the opportunity to stabilize wheat supplies through a stockpiling scheme. Deliveries from the 1984 harvest to the Grain Silos and Flour Mills Organization (GSFMO) as of the end of August totaled one million tons and will assure an adequate supply to cover Saudi wheat consumption requirements this year.

**Yemen: Yemen has reportedly bought 100,000 tons of U.S. Western White Wheat. This would be the first strictly commercial purchase from the United States since 1978, and the first of any kind since the blended credit program during 1983. Total wheat imports (excluding flour) for Yemen in 1984/85 are forecast at 450,000 tons, and prospects for additional U.S. sales are bright.

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis. For example, in terms of quality differentials, the Canadian price is set for No. 1 CWRS, while No. 2 CWRS was discounted by approximately C$6 per ton and No. 3 CWRS by about C$11 per ton; No.1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

Exporter	1983/84 U.S.$ Equivalent		1983/84 Local Currency	1984/85 U.S.$ Equivalent		1984/85 Local Currency
	per bu	per ton	per ton	per bu	per ton	per ton
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.96	109	3,700 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	N/A	N/A	N/A (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate.

N/A Not available.

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY—MILLION TONS)

Monthly Shipments

4 Weeks Ending	1983/84	1984/85
June 21	2.4	3.3
July 19	2.9	3.0
Aug. 23	2.8	4.2
Sept. 20	2.5	5.1
Cumulative for MY......	10.2	14.2

Monthly Sales 2/

4 Weeks Ending	1983/84	1984/85
June 21	2.8	3.7
July 19	2.3	4.8
Aug 23	2.9	5.4
Sept 20	5.4	4.0
Cumulative for MY	18.7	24.2

1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

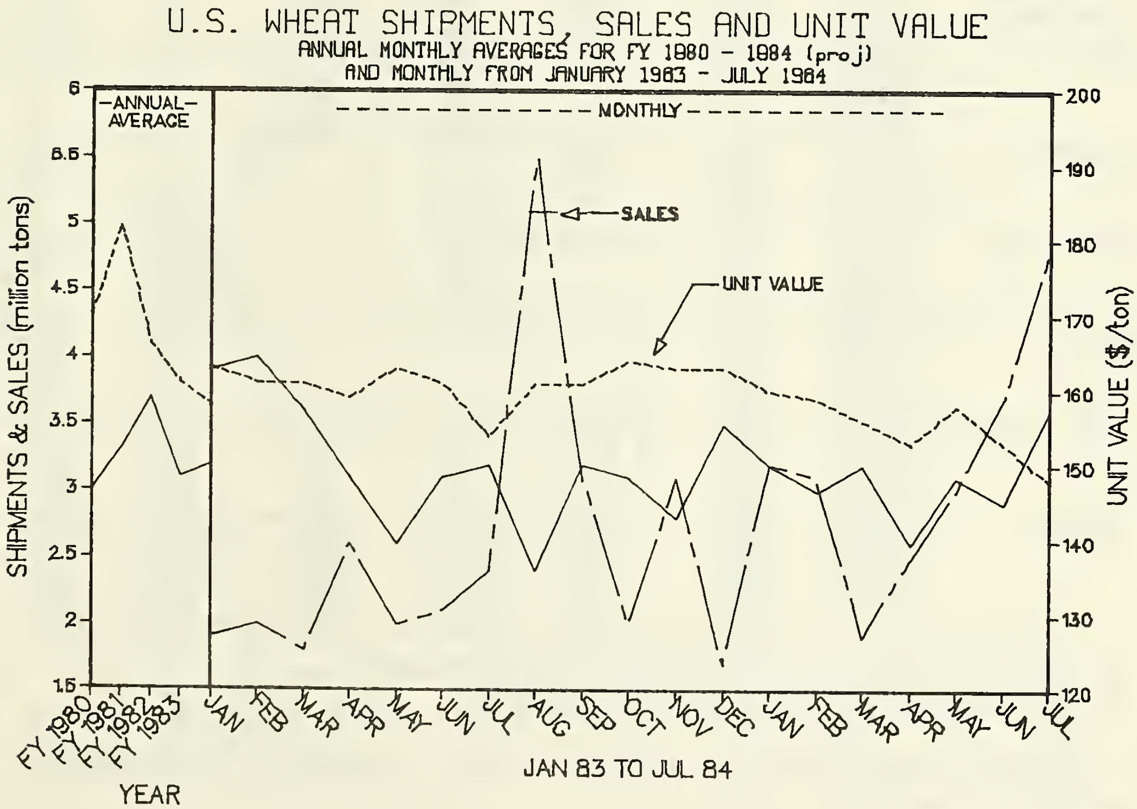
Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending September 13...........	1.5	54.0
Week Ending September 20...........	1.6	59.1
Official Estimate for Current MY (Grain only)......................	39.5	1450
Implied Weekly Average.............	0.8	27.9
Latest Six Weeks Weekly Average.....................	1.3	46.0
Marketing Year-To-Date Weekly Average.....................	0.9	33.9
Weekly Avg. Extrapolated Annually..	48.0	1762
Balance of Year to Achieve Estimate Implied Weekly Average.............	0.7	25.2

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(JULY/JUNE--MILLION TONS)

	Canada		Australia		Argentina		France 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
May 17	2.3	1.2	.3	1.1	.5	.5	.8	.4	3.9	3.1
June 21	2.5	2.4	.2	1.5	.6	.3	.7	.2	4.0	4.3
Total for Jul/Jun 3/	21.2	20.4	8.1	11.6	7.5	9.6	10.0	9.5	46.7	51.1
4 Weeks Ending 1/	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
July 19	2.2	2.0	.3	1.4	.7	.2	.3	.2	3.5	3.8
Aug. 23	2.4	N/A	.4	N/A	.4	N/A	.7	N/A	3.9	N/A
Sept 20	2.0	N/A	.4	N/A	.5	N/A	1.5	N/A	4.4	N/A
Cumulative since July 1	6.6	N/A	1.1	N/A	1.6	N/A	2.5	N/A	11.8	N/A
Total for Season 3/	20.4	18.7	11.6	15.0	9.6	6.5	9.5	10.0	51.7	50.2

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1984/85.
* Denotes less than 50,000 tons.



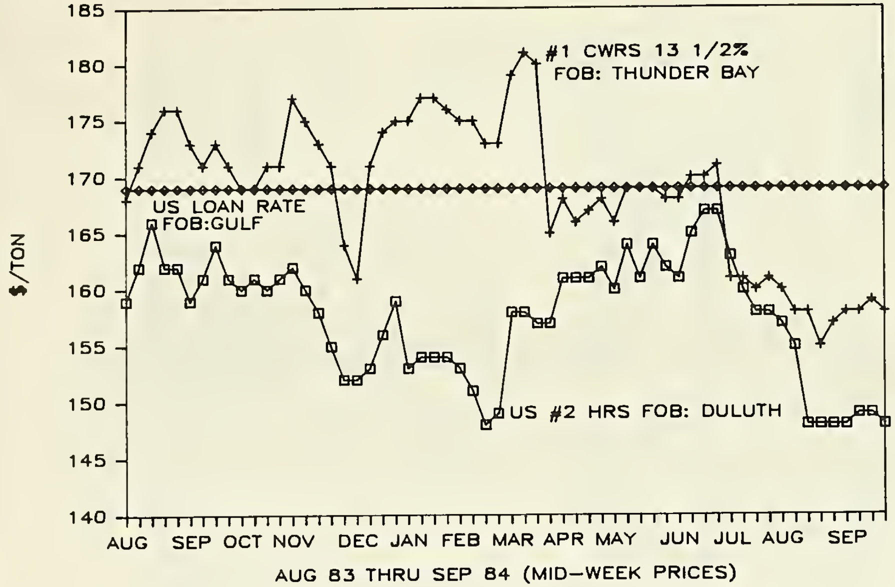
U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1982/83-1983/84; COMMITMENTS TO DATE FOR 1984/85 WITH COMPARISON TO 1983/84
(JUNE/MAY--1,000 TONS)

Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1982/83	3	1,162	35	53	495	1,748
	1983/84	3	1,218	2	—	263	1,491
	1983/84*	—	630	3	—	112	745
	1984/85**	—	284	4	—	98	386
Other W. Europe	1982/83	343	95	289	4	7	738
	1983/84	795	32	411	16	49	1,302
	1983/84*	120	20	161	—	20	301
	1984/85**	305	14	347	—	18	684
Eastern Europe	1982/83	—	—	122	—	74	196
	1983/84	—	—	283	—	72	355
	1983/84*	30	—	283	—	22	335
	1984/85**	—	—	—	—	4	4
USSR	1982/83	3,374	—	—	—	—	3,374
	1983/84	4,141	—	—	—	—	4,141
	1983/84*	1,900	—	—	—	—	1,900
	1984/85**	5,032	—	—	—	—	5,032
China	1982/83	386	—	4,938	—	—	5,324
	1983/84	1,368	—	1,549	—	—	2,917
	1983/84*	512	—	72	—	—	583
	1984/85**	105	—	2,710	—	—	2,815
Japan	1982/83	1,266	987	20	1,049	—	3,322
	1983/84	1,287	1,010	—	1,126	12	3,435
	1983/84*	561	521	—	587	—	1,669
	1984/85**	576	491	—	578	—	1,644
India	1982/83	2,480	—	—	1,405	—	3,885
	1983/84	198	—	—	968	—	1,166
	1983/84*	198	—	—	980	—	1,178
	1984/85**	—	—	—	—	—	—
Taiwan	1982/83	309	195	—	170	—	674
	1983/84	245	185	—	130	—	561
	1983/84*	144	99	—	81	—	323
	1984/85**	140	76	—	78	—	294
Rep. of Korea	1982/83	605	162	—	990	—	1,757
	1983/84	649	221	2	1,179	—	2,051
	1983/84*	303	96	2	509	—	909
	1984/85**	290	92	—	471	—	853
Other Asia,	1982/83	2,554	1,858	833	568	1	5,814
Middle East,	1983/84	2,288	1,232	258	1,222	21	5,021
and Oceania	1983/84*	1,532	784	192	1,140	25	3,673
	1984/85**	1,666	593	228	944	—	3,432
Egypt	1982/83	—	—	397	1,331	—	1,728
	1983/84	—	—	539	807	—	1,346
	1983/84*	—	—	391	224	—	615
	1983/84**	—	—	212	660	—	872
Nigeria	1982/83	918	242	81	—	—	1,241
	1983/84	1,278	265	88	—	—	1,631
	1983/84*	475	104	39	—	—	618
	1984/85**	462	24	100	—	—	586
Other Africa	1982/83	611	95	1,086	—	666	2,458
	1983/84	471	7	1,876	45	844	3,242
	1983/84*	264	3	846	—	474	1,587
	1984/85**	197	14	1,762	—	357	2,329
Brazil	1982/83	2,113	—	—	—	—	2,113
	1983/84	2,181	—	66	—	—	2,247
	1983/84*	1,727	—	67	—	—	1,794
	1984/85**	1,996	—	—	—	—	2,062
Other W. Hemis.	1982/83	2,172	1,464	559	8	271	4,474
	1983/84	2,223	1,477	514	48	296	4,558
	1983/84*	1,442	900	387	7	206	2,942
	1984/85**	1,428	861	416	138	181	2,009
Total 1/	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1983/84	17,128	5,647	5,593	5,541	1,556	35,464
	1983/84*	9,143	3,172	2,449	3,089	897	18,749
	1984/85**	12,373	2,433	6,073	2,383	893	24,155
	MY Projection 2/	20,820	6,260	6,940	5,715	1,769	41,504

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1984/85, including flour and products.
* Sales plus accumulated exports as of September 29, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of September 27, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

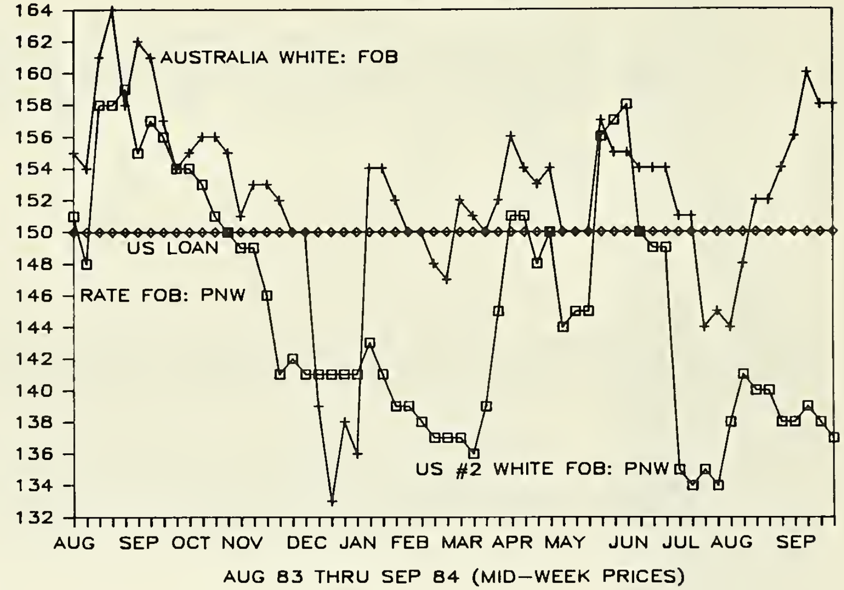
HARD RED SPRING WHEAT EXPORT PRICES

U.S. AND CANADIAN



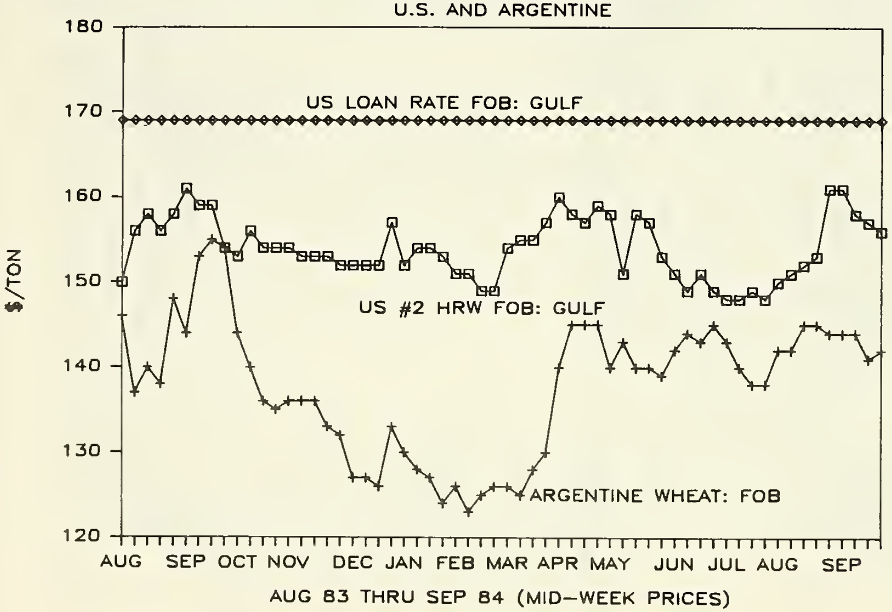
WHITE WHEAT EXPORT PRICES

U.S. AND AUSTRALIAN

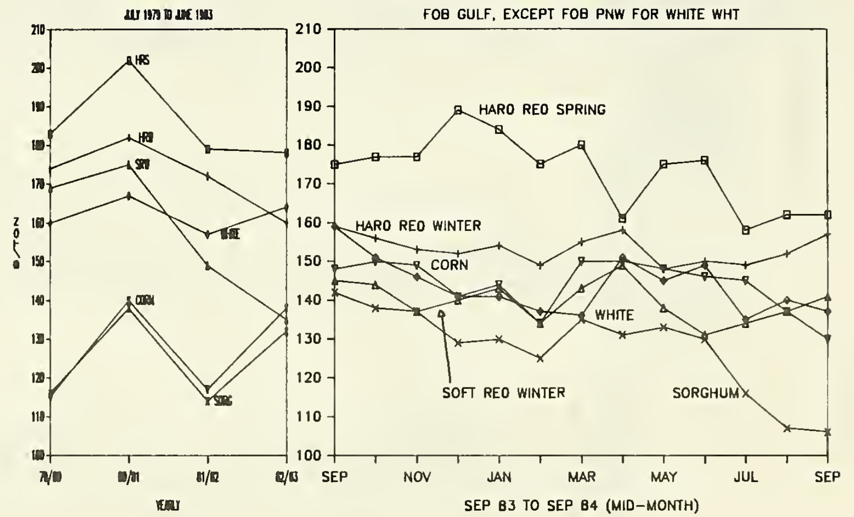


HARD RED WINTER WHEAT EXPORT PRICES

U.S. AND ARGENTINE



U.S. GRAIN COMMODITY EXPORT PRICES



U.S. EXPORT EXPANSION ACTIVITY

**CCC Credit:

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES
UNDER CCC GUARANTEE PROGRAMS

	FY 1983		FY 1984 *		
	Total Exports	Estimated Exports Under CCC Programs	Announced	Approved	Estimated Quantity Yet To Be Purchased
	--1,000 Tons--		--Million Dollars--		--1,000 Tons--
Algeria	724	--	160	0	1,067
Bangladesh	803	300	45	43	12
Brazil	2,186	2,575 1/	445	409	225
Chile	1,000	675	85	85	--
Colombia	558	--	91	91	--
Costa Rica	85	20	--	--	--
Dominican Rep.	209	80	16	16	--
Ecuador	322	220	69	68	6
Egypt	3,536	1,750	95	79	97
Guatemala	131	120	21	16	31
Haiti	117	45	5	5	--
Iraq	1,086	1,400 1/	203	184	119
Jamaica	84	40	16	1	6
Korea	1,844	785	130	129	6
Morocco	1,320	1,350 1/	334	285	306
Nigeria	1,208	200	--	--	--
Peru	863	780	90	51	244
Philippines	978	105	95	82	80
Portugal	543	560 1/	117	72	300
Tunisia	378	300	133	99	212
Turkey	--	--	77	57	133
Yemen	255	345 1/	30	0	200
Yugoslavia	293	350 1/	--	--	--
TOTAL	18,523	12,000	2,257	1,772	3,044

* Includes GSM-102, GSM-5, and Blended Credit.

1/ Exports under CCC programs exceed total FY 83 because some of the estimated shipments may have actually moved after September 30, 1983.

U.S. WHEAT/WHEAT FLOUR TRADE UNDER PL-480 WITH SELECTED COUNTRIES *
(1,000 TONS)

	FY 1983		FY 1984
	Exports Under PL-480	Total Exports	Agreements Signed 1/
Bangladesh	228	803	197
Bolivia	137	137	60
Costa Rica	70	85	127
Egypt	1,474 2/	3,536	1,523 2/
El Salvador	131	135	132
Honduras	71	107	91
Indonesia	83	914	152
Morocco	194	1,320	269
Sierra Leone	3	31	11
Somalia	23 2/	34	28 2/
Sri Lanka	155	216	150
Sudan	297 2/	480	309 2/
Zaire	60 2/	73	76 2/
TOTAL	2,926	7,871	3,125

* Transactions under Title I and III.

1/ Approximate quantities based on dollar value of agreements.

2/ Includes grain equivalent of flour.

**PL-480:

FINAL FY 1984 PUBLIC LAW 480 TITLE I/III
COUNTRY AND COMMODITY ALLOCATIONS
(1,000 TONS GRAIN EQUIVALENT)

Country	$Million-Total	Wheat/Flour	Rice	Feedgrains
$805 or Less Per Capita GNP				
Bangladesh	65.0	197	50	--
Bolivia	10.0	60	--	--
Egypt	250.0	1,523 1/	--	--
El Salvador	49.0	143	5	85
Guinea	5.0	--	18	--
Haiti	11.0	47	--	--
Honduras	15.0	91	--	--
Indonesia	40.0	152	45	--
Kenya	5.0	35	--	--
Liberia	15.0	--	36	--
Madagascar	8.0	--	23	--
Pakistan	50.0	--	--	--
Sierra Leone	3.0	11	3	--
Somalia	16.0	28 1/	18	--
Sri Lanka	25.0	150	--	--
Sudan	50.0	309 1/	--	--
Yemen	3.0	5 1/	5	--
Zaire	15.0	76 1/	--	15
Zambia	10.0	17	6	--
Subtotal	645.0	2,844	209	100
Over $805 Per Capita GNP				
Congo (Brazzaville)	2.0	--	6	--
Costa Rica	22.5	127	--	32
Dominican Republic	26.0	19	--	145
Guatemala	7.0	--	--	--
Jamaica	20.0	49 2/	14	30
Mauritius	3.5	6 1/	8	--
Morocco	45.0	269	--	38
Peru	20.0	65	35	--
Tunisia	15.0	37	--	70
Subtotal	161.0	572	63	315
Allocated	806.0	3,416	272	415
Unallocated Reserve	--	--	--	--
TOTAL PROGRAM	806.0	--	--	--

1/ Wheat equivalent of flour or contains some portion of wheat equiv. of flour
2/ Contains some portion of blended and/or fortified foods.

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast:
The projection for 1984/85 corn exports has been raised to 52.9 million tons, primarily in response to the sustained buying activity of the Soviet Union. The estimates for 1983/84 corn and sorghum exports were reduced somewhat to reflect the pace of recent shipments and now stand at 46.2 million tons and 5.7 million tons, respectively.

Shipments and Sales:
The pace of corn sales dropped off sharply from a month earlier with the slackening of Soviet purchases. Outstanding sales to the USSR for the 1984/85 marketing year stood at 7.6 million tons as of September 20. Mexico, Taiwan and Japan were the other major corn buyers during the month. Corn shipments slowed from last month, reflecting final-month tightness of the old crop corn market. Sorghum shipments and sales continued at last month's moderate level with Japan, Mexico and Venezuela as the major markets.

IMPORTER BUYING ACTIVITY

Recent corn buying activity picked up over last month's relatively slow pace, as the Soviet Union continued purchasing for Oct-Sept 1984/85 delivery. Other significant sales were made to Mexico, Portugal, and Egypt, most of which was also for delivery after October 1. Mexico was also the largest buyer of U.S. sorghum with sales reported at over 100,000 tons for October-November delivery.

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN AUGUST 31, 1984 AND SEPTEBEMBER 27, 1984

Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per Ton)	Delivery Period 3/
9/10	Algeria	U.S.	60,000	YC	?	Oct/Dec
9/5	Egypt	U.S.	105,000	#2 YC	?	Oct
9/5	El Sal	U.S.	10,085	#2 YC	?	Sept
9/26	Jordon	U.S.	25,000	#3 YC	171.75 C&F	Nov
9/18	Korea	China	110,000	YC	?	Nov
9/18	Korea	U.S.	50,000	YC	?	Nov
9/6	Mexico	U.S.	240,000	#2 YC	?	Oct
9/6	Mexico	U.S.	75,000	#2 YS	?	Oct
9/19	Mexico	U.S.	109,000	YS	?	Nov
9/12	Portugal	U.S.	80,000	#3 YC	134.35-134.50	Oct
9/14	Portugal	U.S.	60,000	#3 YC	127	Nov
9/21	Portugal	U.S.	80,000	#3 YC	?	Nov
9/21	Portugal	U.S.	18,000	#3 YS	?	Nov
9/18	Taiwan	U.S.	27,000	YC	153.61 C&F	Oct
9/26	Taiwan	U.S.	27,000	YC	130.26	Nov/Dec
9/11	Zaire	U.S.	15,067	#2 YC	139.37	Sept

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

MARKET OPPORTUNITIES

**USSR: Based on reports as of September 20 to the USDA's Export Sales Division, U.S. grain sales to the USSR for the second year (Oct-Sept 1984/85) of the new Long Term Grain Agreement (LTA) have reached 8.9 million tons, including 7.5 million tons of corn. The Soviets have also continued to add small quantities to purchases for the first year of the new LTA with total purchases now at nearly 14.6 million metric tons, including 6.8 million corn. The United States has accounted for well over half of reported world grain sales to the Soviet Union for delivery during Oct-Sept 1984/85.

**Turkey: For the second consecutive season, Turkey will be both an importer and exporter of feed grains in 1984/85 due to difficulties in procuring enough barley to satisfy consumption needs and export commitments. In 1983/84, Turkey imported 350,000 tons of barley and exported 300,000 tons. For 1984/85, Turkey is again forecast to import 350,000 tons of barley. However, despite these large imports, Turkey is also expected to export 200,000 tons to meet previous commitments. Turkish corn production has grown 10 percent in the last two seasons to nearly 15 million tons, but a rapidly growing feed industry is utilizing all domestic corn, and required imports in 1984/85 could reach 200,000 tons. These recent imports have prompted the Turkish government to take steps to stimulate production and eliminate on-farm hoarding of grain. An increase in support prices for feed grains and an export tax of US$25 per ton are two recently implemented decisions that in the long run will help, but for 1984/85 (Oct-Sept), Turkey will remain a substantial importer.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries' Selling Activities and Competitive Practices

**China: Recent corn sales by China to Japan are likely to displace U.S. corn. China sold 100,000 tons of corn to Japan, bringing total sales to Japan to 250,000 tons, so far in 1984/85. In 1983/84, the United States supplied nearly all of Japan's corn imports of 14.6 million tons, because South Africa's exportable supplies were sharply reduced by drought. In 1984/85, South Africa again is not expected to be a major factor in the Japanese corn import market.

**German Democratic Republic: Record total grain production and the continued substitution of feed wheat, barley and sorghum for corn in feed rations indicates that East Germany's corn imports from the United States in 1984/85 (Oct-Sept) could decline to about 750,000 tons from almost one million tons in 1982/83. Grain agreements with Canada and Austria, which include 24 month repayment terms, have contributed to a sharp increase in East German imports (mostly wheat and barley) from those countries. Purchasing decisions for the balance of 1984 will be made this month, and if favorable financing can be arranged with western banks and the U.S. export corn price falls after harvest as expected, additional U.S. corn exports to the GDR could take place.

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTIONS 1/
(OCTOBER/SEPTEMBER--MILLION TONS)

Monthly Shipments				
	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
June 21	4.6	3.7	.4	.3
July 19	3.0	2.7	.2	.4
Aug. 23	3.5	3.7	.7	.5
Sept. 20	3.3	2.4	.5	.4
Cumul. in MY	46.9	46.0	5.4	6.0

Monthly Sales 2/				
	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
June 21	5.0	3.6	.4	.2
July 19	2.9	4.9	.4	.4
Aug. 23	6.8	8.0	.5	.5
Sept. 20	4.8	3.5	.3	.5
Cumul. in MY	49.4	48.5	5.9	6.8

Weekly and Annual Inspection Rates				
	CORN		Sorghum	
	MT	BU	MT	BU
Week Ending September 20............	0.7	28.9	0.12	4.7
Week Ending September 27............	0.7	27.8	0.16	6.3
Official Estimate for Current MY				
(Grain only)........................	46.2	1818	5.72	225
Implied Weekly Average.............	.9	35.0	.14	4.3
Latest Six Weeks				
Weekly Average.....................	0.7	28.0	0.09	3.6
Marketing Year-To-Date				
Weekly Average.....................	0.9	35.1	0.11	4.4
Weekly Avg. Extrapolated Annually..	46.4	1825	5.77	227
Balance of Year to Achieve Estimate				
Implied Weekly Average.............	0.7	27.6	0.07	2.7

1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

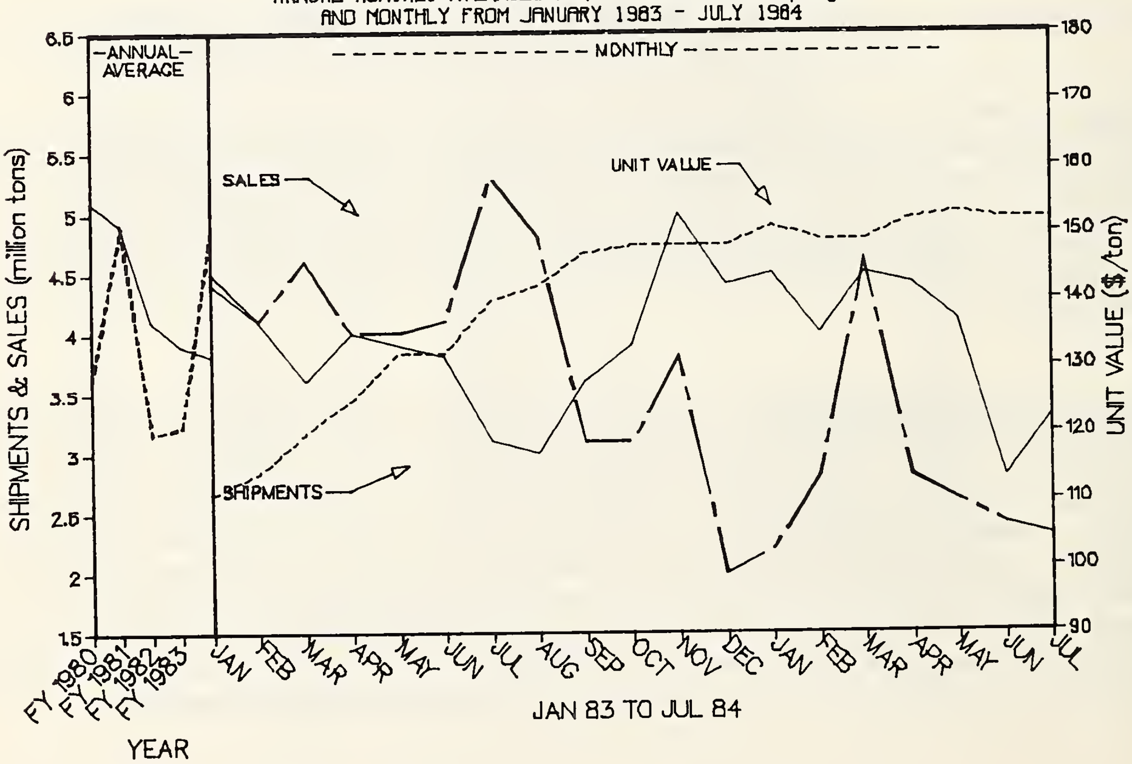
Source: Export Sales; FGIS

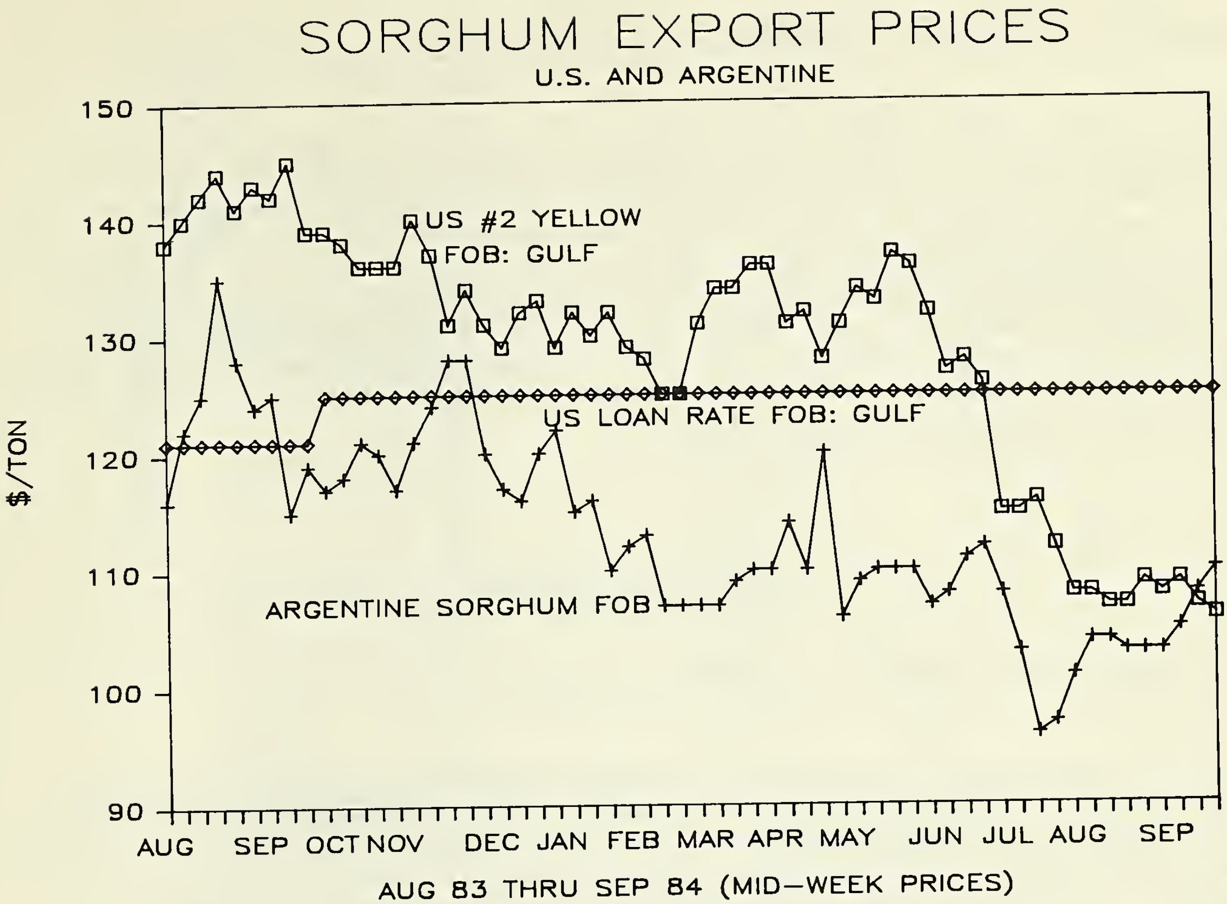
CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

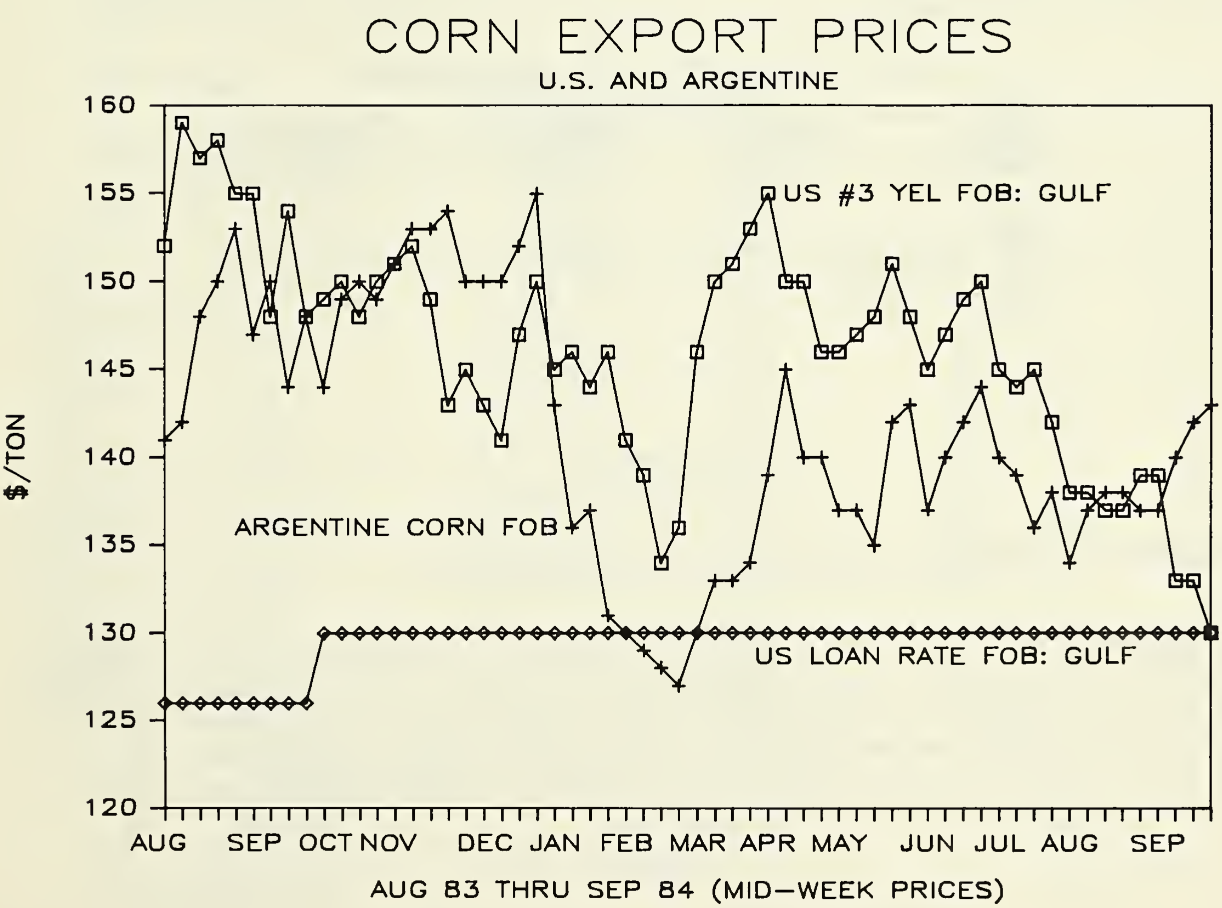
	SORGHUM		CORN					
	Argentina		Argentina		Thailand		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
June 21	.9	.8	.9	.7	.1	.2	1.9	1.6
July 19	.6	.6	1.1	.7	.1	.1	1.8	1.4
Aug. 23	.6	.2	.7	.5	.1	N/A	1.4	N/A
Sept. 20	.4	N/A	.5	N/A	.2	N/A	1.1	N/A
Cumul. in MY	4.9	4.5	6.4	5.4	2.2	2.2	13.5	12.1
Total for Season 2/	4.9	5.5	6.4	6.3	2.2	2.8	13.5	14.6

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1983/84.

U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM JANUARY 1983 - JULY 1984




SORGHUM EXPORT PRICES
U.S. AND ARGENTINE
150
140
130
120
110
100
90
$/TON
US #2 YELLOW
FOB: GULF
US LOAN RATE FOB: GULF
ARGENTINE SORGHUM FOB
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
AUG 83 THRU SEP 84 (MID-WEEK PRICES)


CORN EXPORT PRICES
U.S. AND ARGENTINE
160
155
150
145
140
135
130
125
120
$/TON
US #3 YEL FOB: GULF
ARGENTINE CORN FOB
US LOAN RATE FOB: GULF
AUG
SEP
OCT
NOV
DEC
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
AUG 83 THRU SEP 84 (MID-WEEK PRICES)

Competitive Developments in Selected Foreign Markets

**South Africa: The Maize Board of South Africa has announced that a feasibility study will be done to determine whether a 500,000-ton capacity grain terminal can be built at Richards Bay. For the five years prior to two recent years of drought, South African corn exports averaged 3.3 million tons. In 1983/84 (Mar-Apr), South Africa exported only 285,000 tons of corn and imported close to 3.0 million tons to cover consumption needs and export commitments. Assuming a more normal harvest in 1984/85, South Africa would return to net exporter status. This facility would significantly expand the importing and exporting capabilities of South Africa, which also handles grain imports for Zambia, Botswana and Zimbabwe.

BARLEY, OATS AND RYE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

The U.S. barley export forecast for June-May 1984/85 remains unchanged at 2.2 million tons. Lower Canadian barley production than was expected in 1983/84 and lower carry-in stocks mean lower exportable supplies in Canada, but the EC has large supplies available for increased demand in key Mediterranean markets. U.S. export sales of barley for the latest 4-week period rebounded somewhat from the previous month's slow pace, with Taiwan, Japan, Iraq and Turkey recent purchasers.

U.S. EXPORTS OF BARLEY, OATS AND RYE
JUNE/MAY--1,000 TONS

Grain	1982/83	1983/84 1/	1984/85 2/
Barley	1,023	1,990	2,175
Oats	44	39	44
Rye	5	25	25

1/ Estimated.
2/ Projected.

LENTILS

Competitive Developments In Selected Foreign Markets

**Turkey: Lower export availability of lentils for tradional Turkish markets like Egypt and Algeria could mean improved prospects for U.S. exports. Turkey traditionally exports about 300,000 tons of lentils but after record exports of nearly 400,000 tons and record ending stocks in 1983, some switch to planting chick peas and dry beans occured due to unsatisfactory farm prices.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

	U.S.		CANADA		FRANCE 2/		U.K. 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
June 21	*	.1	.6	.4	.1	.1	.1	.2	.8	.8
July 19	*	*	.4	.2	.1	*	*	*	.5	N/A
August 23	*	.1	.4	N/A	.1	N/A	.1	N/A	.6	N/A
September 20	*	*	*	*	*	N/A	*	N/A	*	*
Cumulative	.6	1.8	4.3	3.7	1.1	.6	1.4	1.0	7.4	7.1
Total for Season	1.0	2.0	6.0	4.5	1.1	.8	1.4	1.3	9.5	8.6

1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1983/84.
N/A Not available.
* Less than 50,000 tons.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 9/20/83 1/	Committed as of 9/20/84 1/
EC	301	112	360	98	92
Other W. Europe	472	226	441	168	371
Eastern Europe	111	—	126	34	—
Taiwan	373	146	223	156	83
Japan	336	119	372	183	287
Canada	128	—	—	11	—
Others	546	317	509	308	282
Total	2,267	920	2,033	958	1,115

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. OATS EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 9/20/83 1/	Committed as of 9/20/84 1/
EC	4	—	5	15	—
Canada	1	—	—	17	—
Mexico	16	—	—	—	—
Venezuela	10	1	3	2	1
Others	87	3	1	15	—
Total	118	4	9	49	1

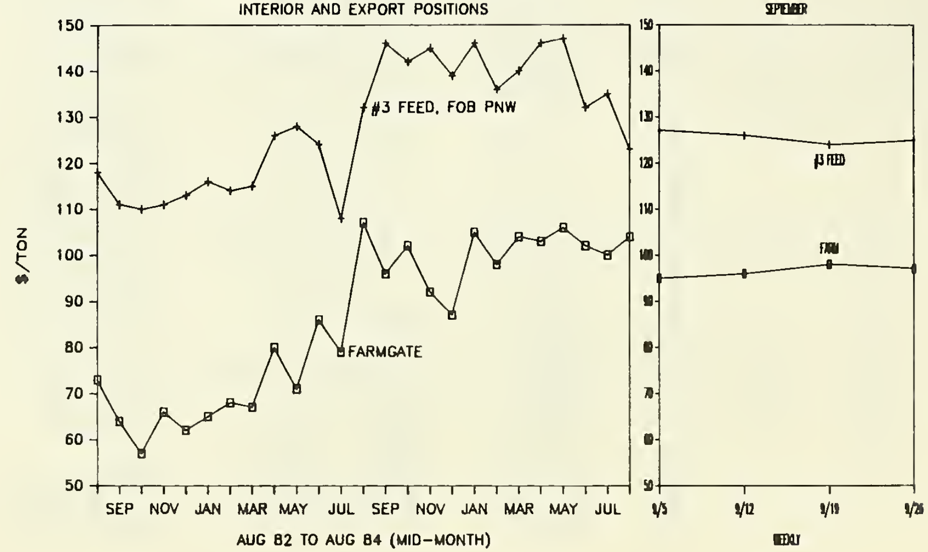
1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. RYE EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 9/20/83 1/	Committed as of 9/20/84 1/
EC	1	—	3	—	—
Other W. Europe	13	—	—	—	—
Canada	15	—	—	—	—
Others	9	—	20	21	46
Total	38	—	23	21	46

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. FEED BARLEY PRICES
INTERIOR AND EXPORT POSITIONS



RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast: U.S. rice exports in 1984/85 (August/July) are forecast at 2.2 millions (milled rice basis), reflecting somewhat better prospects for exports to the Middle East and Western Europe.

Shipments: U.S. rice exports during the 4-week period ending September 20 totaled 231,200 tons, up sharply from the previous 4-week total of 168,300 tons. Major destinations included Iraq (which accounted for more than one-third of total shipments during the period), Italy and Saudi Arabia. Cumulative shipments for the new marketing year through September 20 totaled 361,000 tons, compared to 393,600 tons shipped by this date one year ago.

Sales: During the 4-week period ending September 20, new sales registrations for 1984/85 delivery totaled 204,300 tons, compared with the previous 4-week total of 291,300 tons. Commitments for 1984/85 delivery now total 833,400 tons, about nine percent below the level of commitments on this date one year ago.

IMPORTER BUYING ACTIVITY

New purchases were again limited during the past month. Other than Iraq's purchase of 75,000 tons of U.S. rice, demand for high-quality rice was limited, despite current low prices. Demand for medium to low-quality rice was also weaker than expected as several of the importing countries were apparently reassessing their own production prospects before making further purchases.

ESTIMATED RICE IMPORT COMMITMENTS FOR SELECTED COUNTRIES
(CALENDAR 1984--1,000 TONS)

Buyer	U.S.	Thailand	Pakistan	Burma	Other	Total Committed 1/	Forecast Imports
India	10	285	--	425	--	720	800
Indonesia	54	120	15	65	365	620	500
Iran	--	380	145	--	145	670	680
Iraq	490	45	--	--	--	535	500
Nigeria	25	455	180	--	--	660	775

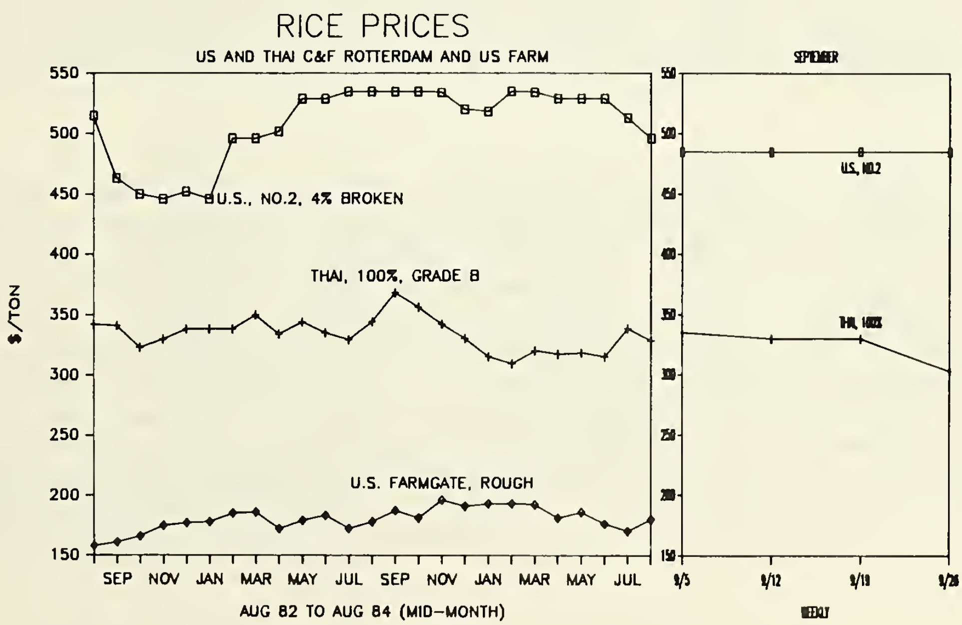
Discrepancies due to rounding.

RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN AUGUST 30 AND SEPT. 28, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price $/MT 2/	Delivery Period	Date of Report
Bangladesh	U.S.	11.4	#5/20% MG	264 5/	Sep	9/4
Iraq	U.S.	37.5	#2/4% LG	435-436 3/	Oct/Nov	9/24
	U.S.	25.0	#2/4% LG	423-426 3/	Nov	9/24
	U.S.	12.5	#2/4% LG	420 3/	Nov	9/24
Japan (KRA) 6/	Burma	15.8	35%	230	Sep/Oct	9/27
Jordan	Italy	50.0	Camolino 3%	334 4/	N/A	9/27
Madagascar	Thailand	10.0	A-1 S	N/A	N/A	9/21
Malaysia	Thailand	16.0	100% B	273	Sep/Oct	9/4
Mexico	Costa Rica	10.0	20%	263 3/	Nov	8/30
	Thailand	20.0	20%	259 3/	Oct/Nov	8/30
Peru	U.S.	26.6	#2/4% LG	351-373 5/	Sep	
Philippines	China	20.0	35%	225 3/	Sep/Oct	9/18
Senegal	China	20.0	35%	224	Sep/Oct	8/30
Singapore	Thailand	10.5	A-1 S	N/A	N/A	9/4
Somalia	Thailand	10.0	PB 10%	246	Sep/Oct	9/7
Syria	Thailand	12.0	100% C	N/A	N/A	9/21
Vietnam	Thailand	15.0	A-1 Spec	N/A	N/A	9/4
	Thailand	11.0	A-1 S	N/A	N/A	9/7
N/A	Burma	10.0	A-1	208	Oct	9/24
N/A	Thailand	10.0	5%	N/A	Sep/Oct	9/7

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B = Brown, F = Fragrant, L/Bld = Long, Boiled, F/Bld = Full Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ C&F
4/ Stowed
5/ FAS basis, PL-480 sale.
6/ Kennedy Round Agreement donations to Benin, Guinea-Bissau and Bangladesh.

N/A Not available.



**<u>Bangladesh</u>: Officials from the Government of Indonesia reportedly have signed a memorandum of understanding (MOU) with the Government of Bangladesh (GOB) to supply Bangladesh with up to 150,000 tons of rice over a two or three year period. The language of the MOU is somewhat vague, stating only that Indonesia will "endeavor to accomodate" the GOB's request for rice on "mutually agreeable terms". There had been earlier reports that the two countries were negotiating the transfer to Bangladesh of an Indonesian contract for approximately 100,000 tons of Taiwanese rice, but it is not entirely clear if the MOU refers to this rice or to future exports of Indonesian rice.

Bangladesh has been hit by heavy rains and extensive flooding since May, which reportedly have damaged or destroyed as much as one million tons of paddy from the 1983/84 Boro crop and the 1984/85 Aus and broadcast Aman crops. While some of this loss could still be recovered from a good transplanted Amman crop (if weather conditions begin to improve very soon), Bangladesh has been forced to make large purchases of rice from Thailand and Bangladesh to cover the domestic shortfall. The problem has been compounded by the fact that the flooding also destroyed as much as 800,000 bales of jute which is the major foreign exchange earner for Bangladesh.

**<u>Iraq</u>: In the September tender, Iraq purchased 75,000 tons of U.S. #2/4% long grain rice at $420-436 per ton C&F for various Middle East ports (FOB equivalent of around $393-396 per ton). Heavy purchases of U.S. rice this year have reversed a two-year trend of increasing imports from Thailand. Iraq's total rice imports for CY 1984 are currently forecast at 500,000 tons, with 450,000 tons expected to come from the U.S.

**<u>Mexico</u>: In the August 29 tender, CONASUPO purchased 20,000 tons of Thai 20% broken rice at $259 per ton C&F and 10,000 tons of 20% broken rice from Costa Rica at $263 per ton C&F. Mexico has now purchased an estimated 165,000 tons of rice for delivery in CY 1984. There are reports that further purchases may be needed before the end of the year. The Government of Thailand (GOT) has approached the Mexican government on a government-to-government purchase of Thai rice, but CONASUPO has received better prices from private traders under tender than the GOT has offered. Reportedly, CONASUPO has also discussed the purchase of rice from China, but no agreement has yet been announced.

**<u>Philippines</u>: The National Food Authority (NFA) purchased an additional 20,000 tons of 35% broken rice from China with the same terms as an earlier purchase of 50,000 tons ($225 C&F per ton with 180 day credit). The Philippines now has purchased an estimated 200,000 tons of rice for delivery in this calendar year, including approximately 130,000 tons from Thailand. While government officials have suggested that further imports may not be necessary, despite losses to the current rice crop caused by two recent typhoons, NFA is reportedly negotiating with Taiwan for the purchase of 20,000 tons of 25% broken rice. If damage to the rice crop is determined to be actually greater than current estimates indicate, further large purchases may be required.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS: With continued weak demand for medium to high quality rice, the Thai Board of Trade posted FOB prices fell to $260 per ton for 100% B and $257 per ton for parboiled 5%. Posted prices for 100% B and parboiled 5% have now fallen $25 and $23 per ton, respectively, since mid-August. Actual prices are reported to be around $245-250 for 100% B and $242-245 for P 5%. Prices for Thai brokens were somewhat more stable, with the posted prices of A-1 Super at $230 per ton—only $30 per ton below the price of Thai 100% B. U.S. prices also were weaker, with #2/4% long grain sold to Iraq during the recent tender at $393-396 per ton FOB.

**Thailand: Although exports slowed sharply during the past month, total exports through September 18 reached 3.38 million tons—about one-third higher than the level of exports for the same period one year ago.

WEEKLY THAI RICE EXPORTS

Week Ending	Actual	4-Week Moving Avg.
August 28	54,122	77,816
September 3	88,580	75,117
September 11	92,394	74,683
September 18	65,975	75,268

New sales activity was weak for the second straight month, with reported sales of only about 150,000 tons. Total export commitments for delivery in CY 1984 are estimated at 4.4 million tons, with actual total exports for 1984 projected at 4.25 million tons.

RECENT THAI RICE SALES

Destination	Quantity (1,000 MT) Current	Est. Cumulative 1/	Quality 2/	Price $/MT 3/	Delivery	Date of Report
Benin/Nigeria	5.5	30.4	P 5%	N/A	N/A	9/17
Cameroon/	5.5		P 5%	N/A	N/A	9/17
Nigeria	10.8	80.2	5%	N/A	N/A	9/17
Italy	7.0	85.0	B 100% B	N/A	N/A	9/7
Laos	5.0		GL 10% LG	N/A	N/A	9/4
	1.2	21.9	25%	N/A	N/A	9/4
Madagascar	10.0	125.4	A-1 S	N/A	N/A	9/21
Malaysia	16.0	429.4	100% B	273	Sep/Oct	9/4
Mexico	20.0	95.8	20%	263 4/	Oct/Nov	8/30
Nepal	2.1	6.4	15%	N/A	Sep/Oct	9/4
Singapore	10.5	138.5	A-1 S	N/A	N/A	9/4
Somalia	10.0	48.2	P 10%	246	Sep/Oct	9/7
Syria	12.0	109.0	100% C	N/A	N/A	9/21
Vietnam	15.0		A-1 Spec	N/A	N/A	9/4
	11.0	182.9	A-1 S	N/A	N/A	9/7
N/A	10.0		5%	N/A	Sep/Oct	9/7

1/ For all qualities for 1984 delivery.
2/ P=Parboiled, B/5% = Brown rice 5% brokens, etc., F=Fragrant
3/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
4/ C&F

N/A = not available

In a move perhaps designed to boost slipping sales, the Ministry of Commerce has announced that the rice export premium will remain at its current reduced level at least until next March. In October of last year, the export premium was reduced by half, reportedly to boost farm income. However, the savings to exporters was not passed on to farmers, but went to foreign buyers in the form of lower export prices. In the recent announcement, Ministry of Commerce officials suggested that the reduced premium would help exporters negotiate advanced sales of rice.

**Pakistan: RECP, the Rice Export Corporation of Pakistan has issued a tender for 15,000 tons of Sind 15/20% brokens and 20,000 tons of Sind 40/45% brokens, with bids to be opened October 4. Export commitments for 1984 are estimated at nearly 1.1 million tons, against projected exports of 1.3 million tons. Actual exports through August totaled nearly 780,000 tons, compared to exports of about 880,000 tons for the same period last year.

**Burma: MEIC, the government export monopoly, reportedly sold 10,000 tons of A-1 brokens under tender and also 15,800 tons of 35% brokens to Japan under the Kennedy Round Agreement (KRA) for Benin, Guinea-Bissau and Bangladesh. Total export commitments for CY 1984 are estimated at 915,000 tons, with projected total exports of 850,000 tons. Actual exports through August are estimated at 580,000 tons.

**EC: Reports indicate that under the soon-to-be-announced new Lome Convention between the EC and the ACP's (African, Caribbean and Pacific countries), rice coming into the EC from an ACP country will be subject to the same levy in effect for the rest of the world, although the exporting country will retain half of the levy. The new arrangement calls for a total annual quota of 96,000 tons (brown basis), with no allocation by individual country. The full levy will be collected on all imports above the 96,000 ton quota.

It has been suggested that the new system will more effectively limit preferential imports from ACP's in that the limit to preferential treatment will be automatically enforced. Under the current system, the reduction in the levy normally would be suspended if exports from a particular country exceeded the previous three-year average by five percent. However, this provision requires council action and has not been actively enforced. Most ACP rice currently comes from Surinam and is imported by the Netherlands.

**Indonesia: Government rice stocks at the end of August had reached a record 3.05 million tons and government market operations were virtually nil, following a record 1984 rice harvest. While it may be somewhat premature to say that Indonesia has reached self-sufficiency in rice, total imports in CY 1984 are expected to drop to only about 500,000 tons, compared to the nearly 1.2 million tons imported in CY 1983. Actual imports through August totaled 385,000 tons, with imports in August of only about 4,000 tons.

**South Korea: While heavy rains and flooding during the first week of September caused extensive property damage, apparently only about ten percent of the area planted to rice was affected. With excellent growing conditions prior to the flooding, it appears that much of any loss may be balanced by higher yields from the areas unaffected by flooding. It is currently estimated that rice production will at least match last year's crop, which was estimated at 5.1 million tons (milled basis).

U.S. EXPORT EXPANSION ACTIVITIES

The Rice Council for Market Development sponsored a visit by a rice team from North Yemen in mid-September. The team visited rice farms and milling facilities, and received briefings at USDA on credit and the U.S. and world rice situation and outlook.

**GSM-102: As of September 28, Iraq had a balance of $5.5 million in GSM-102 credit guarantees. Iraq had earlier received an extension of the shipping deadline to December 31.

**PL-480: Peru and Bangladesh each purchased rice under PL-480 in September to complete the FY 1984 program. The following table outlines the final status of the FY 1984 PL-480 Title I/III programs.

STATUS OF P.L. 480 TITLE I/III RICE PROGRAMS FOR FY 1984

(Final Report)

Country	Allocation $Million	Agreement Signed	P.A. Issued	Tender Results Date	TMT Purchased	Price $/MT FAS	Quality 1/
Completed							
El Salvador	1.2	X	X	12/22	4.4	271-272	MG
Liberia	15.0	X	X	1/09	42.1	336-344	LG, P
Bangladesh	15.0	X	X	1/11	55.7	269	MG
Madagascar	7.0	X	X	3/22	24.4	287	MG
Sierra Leone	1.0	X	X	3/26	3.4	294	MG
Indonesia	15.0	X	X	3/27	53.8	279	MG
Somalia	5.5	X	X	4/25	18.8	290-295	MG
Jamaica	5.0	X	X	6/18	16.3	303-307	MG
Guinea	5.0	X	X	7/18	17.9	268-283	MG
El Salvador	0.5	X	X	8/2	1.8	274	MG
Yemen	2.0	X	X	8/3	5.2	385	LG,P
Zambia	1.8	X	X	8/24	7.0	259	MG
Bangladesh	3.0	X	X	9/4	11.4	264	MG
Peru	10.0	X	X	9/4	26.6	351-373	LG
Total	87.0				288.8		

1/ No. 5/20 percent unless otherwise indicated, P=Parboiled, MG=Medium Grain, and LG=Long Grain.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1981/82-1983/84, AND AUGUST 1 THROUGH SEPTEMBER 20 for 1984/85
(AUGUST/JULY--1,000 TONS)

Destination	Marketing Year	Long Grain Milled	Long Grain Brown 2/	Other 1/ Milled	Other 1/ Brown 2/	Total Exports
EC 10	1981/82	2	310	56	192	560
	1982/83	1	214	15	--	230
	1983/84	29	192	2	70	293
	1984/85	2	93	4	28	127
Other W. Europe	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	23	35	3	138	199
	1984/85	14	5	2	20	41
E. Europe & USSR	1981/82	*	—	*	—	*
	1982/83	*	—	*	—	*
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	--
Iran	1981/82	85	—	—	—	85
	1982/83	—	—	—	—	—
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	—
Iraq	1981/82	270	—	*	—	270
	1982/83	327	—	*	—	327
	1983/84	230	—	2	—	232
	1984/85	241	—	1	—	242
Saudi Arabia	1981/82	250	—	15	—	265
	1982/83	267	—	2	—	269
	1983/84	253	—	6	—	253
	1984/85	88	—	1	—	89
Other Middle East	1981/82	106	8	17	3	135
	1982/83	48	—	2	—	50
	1983/84	40	—	12	—	52
	1984/85	12	—	1	—	13
Republic of Korea	1981/82	—	—	*	339	339
	1982/83	—	—	*	213	213
	1983/84	—	—	*	112	112
	1984/85	—	—	—	—	—
Other Asia & Oceania	1981/82	4	—	38	—	43
	1982/83	2	—	129	—	132
	1983/84	3	—	140	—	143
	1984/85	3	—	15	—	17
Nigeria	1981/82	347	—	—	—	347
	1982/83	159	—	—	—	159
	1983/84	63	—	—	—	63
	1984/85	—	—	—	—	—
Other Africa	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	95	150	136	—	381
	1984/85	90	18	58	—	165
W. Hemisphere	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	156	24	109	14	303
	1984/85	61	14	4	10	90
Total 3/	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	900	401	408	338	2,043
	1984/85	524	130	85	94	833

* Less than 500 tons.

1/ Includes medium, short, and mixed.

2/ Data not converted to a milled equivalency. Includes rough rice.

3/ Discrepancies due to rounding and changes to unknown destinations.

SOURCE: U.S. Export Sales

SPECIAL REPORT

The Narrowing Gap Between EC and World Prices

Expectations of sharply higher French, U.K. and German crops will push EC grain production to record levels, particularly wheat, and are intensifying pressures on current domestic disposal plans. Even with some additional wheat feeding above the 1983/84 record level, the EC's exportable wheat surplus could be 7-10 million tons more than in 1983/84, when the Community had record wheat exports. Prospects for a record barley harvest could put the exportable wheat surplus at the higher end of the range, as well as increase the likelihood for record barley exports. In 1983/84 a poor barley harvest made wheat more attractively priced than barley and enabled more wheat to be fed. This year, however, any additional wheat feeding will be limited by ample supplies of competitively priced barley. EC wheat and barley exports could be much higher than presently forecast. However, commercial soft wheat and flour exports are presently constrained by the EC's own voluntary limit of 14 percent of world trade; exports for aid, durum wheat and products are not limited.

To export more wheat, the EC would have to deal with its own voluntary limit. Last year, the EC tried unsucessfully to export one million tons of denatured feed wheat, but only sold about 200,000 tons. This year they may not have to take any specific action. Domestic wheat prices have been falling while the dollar has been steadily strengthening, narrowing the gap between EC and world prices, increasing pressures to export.

EC export subsidies for wheat have dropped in the past few months from $50 to about $3/ton as the dollar has strengthened and the gap has narrowed between EC prices and world market prices. If that decline continues, the EC would be able to compete at world market prices without a subsidy. Some EC officials have already indicated that any exports without a subsidy may not count against the 14 percent limit. With a 7-10 million ton soft wheat surplus, total EC wheat exports could theoretically jump to 23-26 millon tons in 1984/85, assuming the EC could find the markets to take the soft wheat.

In recent weeks the EC has opened the way to export wheat at zero restitution but market conditions were not quite good enough for EC traders to make any sales. Under Article 11 the EC Grains Management Committee can grant options for export licenses at zero restitution to EC grain traders. In effect, Article 11 provides the trade with "hunting licenses" to make export transactions without the benefit of a restitution, but allows the EC Commission to maintain control over the quantity of grain exported. Under this procedure the exporter must present export contracts by a specified deadline or the options expire. On September 13 and September 20, the EC granted 3.0 and 4.9 million tons, respectively, to French grain companies under Article 11. In both cases, nc contracts were presented by the deadline on the following Wednesday and the options expired. Options for 3.7 million tons, including 2.7 million tons for the USSR, were granted on September 27 and will remain effective until October 3.

However, there are a number of factors working against a large expansion of EC wheat exports. Since the EC produces primarily soft wheat, export growth is basically limited to those markets that do not require hard, high protein wheats for milling and those that use feed wheat. In recent years, the EC has sold the bulk of its wheat to the USSR, Eastern Europe, the Middle East, and Africa. Exports to Bangladesh have been expanding and China, Brazil and Indonesia have been significant buyers on occasion but are not regular outlets. Many of these are financially strapped countries, e.g. Brazil, making it extremely difficult for EC wheat to compete without an accompanying offer of credit.

In addition, in the past, EC wheat has been utilized by several countries for feed uses. UK wheat usually sells at a discount to French wheat and is often exported to feed wheat destinations. Although EC wheat prices have dropped to the regular intervention price level, enhancing its competitiveness with other feedgrains, the current price structure would suggest that feed wheat sales will be difficult. Current FOB prices for EC barley are below wheat prices and barley supplies are plentiful.

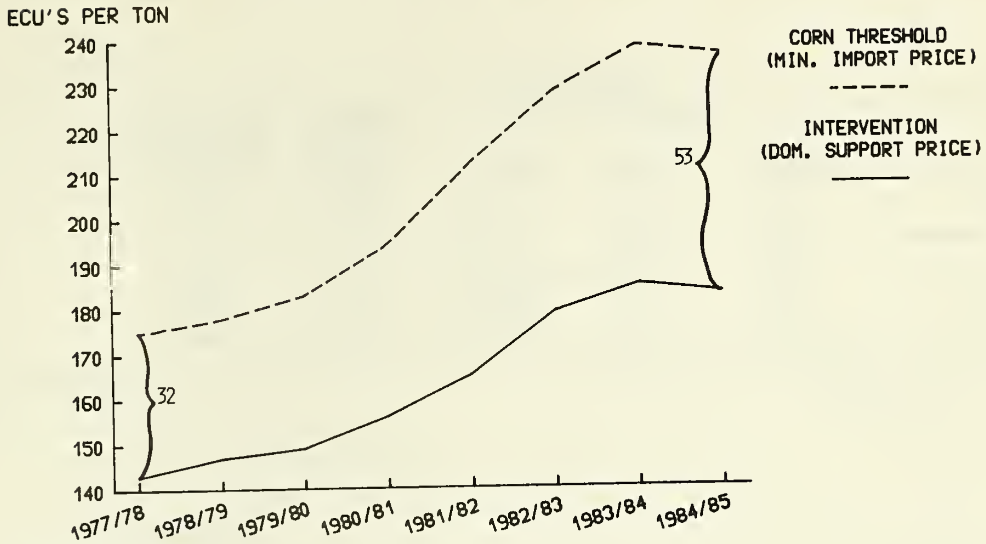
EUROPEAN COMMUNITY-10: GRAIN S & D
WHEAT AND COARSE GRAINS
MARKET YEARS 1976/77 - 1984/85
MILLIONS OF HECTARES OR METRIC TONS

	AREA HARVESTED	YIELD	PRODUCTION	- - IMPORTS - - MKT YR	TRADE YR 1/	- - EXPORTS - - MKT YR	TRADE YR 1/	DOMESTIC FEED USE	UTILIZATION TOTAL	ENDING STOCKS
WHEAT AND COARSE GRAINS										
1976/77	27.8	3.41	94.7	42.2	27.6	20.4	9.0	69.4	116.7	12.6
1977/78	27.3	3.90	106.7	37.5	20.3	26.0	10.5	70.1	118.9	11.9
1978/79	28.3	4.25	120.3	34.9	19.1	28.5	14.2	72.6	122.4	16.3
1979/80	28.3	4.17	117.6	33.5	18.5	30.8	15.4	72.4	122.4	14.5
1980/81	28.3	4.40	124.8	31.1	15.6	34.9	20.3	70.4	119.9	15.5
1981/82	28.1	4.34	122.2	31.0	13.2	36.5	19.7	69.1	118.5	13.8
1982/83	28.1	4.68	131.4	26.2	10.0	36.2	20.7	68.6	116.5	18.7
1983/84 2/	27.6	4.47	123.3	25.7	8.6	36.4	19.5	69.1	117.0	14.3
1984/85 3/	27.8	5.17	143.4	23.3	7.9	40.0	23.5	72.5	120.7	20.3
WHEAT										
1976/77	12.1	3.42	41.5	9.7	4.4	10.9	5.1	9.9	40.5	7.4
1977/78	11.0	3.66	40.2	12.5	5.5	12.6	5.0	10.7	41.3	6.2
1978/79	12.0	4.20	50.3	10.6	4.6	15.3	8.8	11.9	42.7	9.1
1979/80	12.0	4.08	48.5	10.9	5.3	17.5	10.4	12.3	43.3	8.0
1980/81	12.6	4.38	55.1	10.3	4.5	20.7	14.7	12.8	43.9	8.8
1981/82	12.6	4.30	54.4	11.2	4.7	22.1	15.5	13.7	44.6	7.7
1982/83	13.0	4.60	59.8	9.5	3.7	21.2	15.6	15.1	44.5	11.3
1983/84 2/	13.2	4.49	59.3	9.5	3.1	21.9	16.0	19.9	49.4	8.8
1984/85 3/	13.7	5.29	72.3	8.3	2.7	23.4	17.5	22.1	51.7	14.3
COARSE GRAINS 4/										
1976/77	15.7	3.40	53.2	32.6	23.2	9.5	4.0	58.4	76.2	5.2
1977/78	16.4	4.06	66.5	25.0	14.8	13.3	5.5	59.4	77.6	5.7
1978/79	16.3	4.29	70.1	24.3	13.5	13.2	5.5	60.6	79.8	7.1
1979/80	16.3	4.24	69.1	22.6	13.2	13.3	5.0	60.1	79.1	6.5
1980/81	15.8	4.42	69.7	20.8	11.1	14.3	5.6	57.5	76.0	6.7
1981/82	15.5	4.35	67.8	19.9	8.5	14.4	4.1	55.4	73.9	6.0
1982/83	15.1	4.74	71.6	16.8	6.3	15.0	5.1	53.4	72.0	7.4
1983/84 2/	14.4	4.45	64.0	16.2	5.5	14.6	3.5	49.2	67.6	5.5
1984/85 3/	14.1	5.05	71.2	15.0	5.0	16.6	6.0	50.4	69.0	6.0

1/ EXCLUDES INTRA-EC TRADE. WHEAT AND COARSE GRAINS ARE ON A JULY/JUNE BASIS THROUGH 1978/79. FROM 1979/80 ON, COARSE GRAINS ARE ON AN OCTOBER/SEPTEMBER BASIS.
2/ PRELIMINARY.
3/ FORECAST.
4/ RYE, BARLEY, OATS, CORN, SORGHUM, AND MIXED GRAINS.

SOURCES: PREPARED OR ESTIMATED ON BASIS OF OFFICIAL STATISTICS OF FOREIGN GOVERNMENTS, OTHER FOREIGN SOURCE MATERIALS, REPORTS OF U.S. AGRICULTURAL ATTACHES AND FOREIGN SERVICE OFFICERS, RESULTS OF OFFICE RESEARCH, AND RELATED INFORMATION.

DIFFERENCE BETWEEN EC THRESHOLD AND INTERVENTION PRICES ILLUSTRATES THE WIDENING MARGIN OF PROTECTION AGAINST IMPORTS



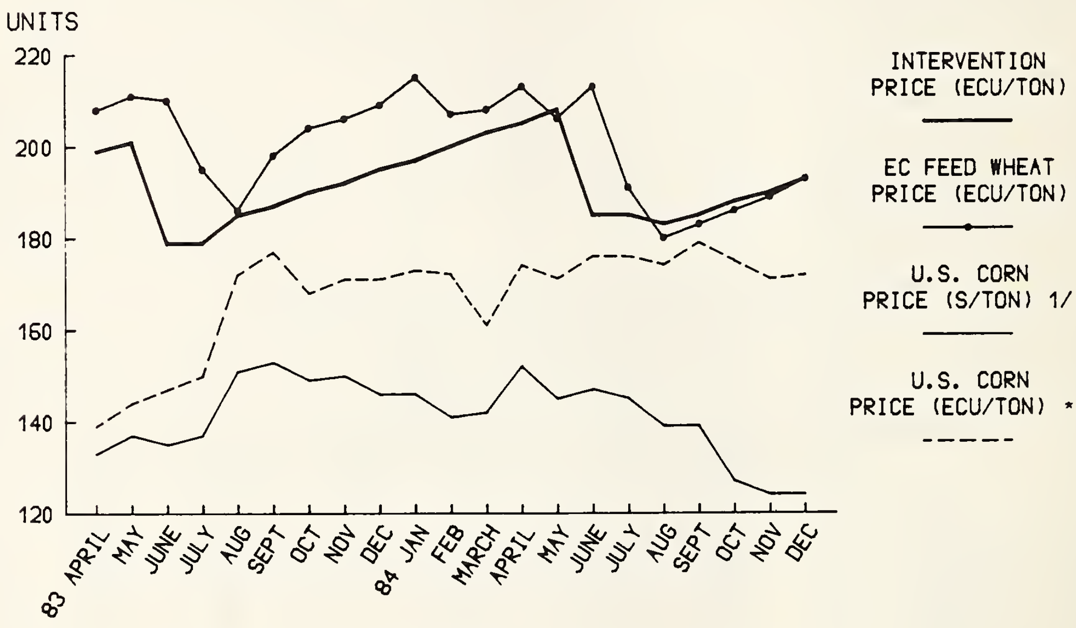
WHEAT EXPORTS BY DESTINATION
JULY/JUNE—1,000 TONS

DESTINATION	FRANCE		WEST GERMANY		EC	
	1982/83	1983/84	1982/83	1983/84	1982/83	1983/84
Poland	1310	550	66	110	1627	809
East Germany	—	322	—	—	30	591
USSR	3247	3610	6	427	3300	4072
Algeria	213	310	100	331	1352	1397
Egypt	501	1560	186	162	1039	2062
Lybia	11	—	66	59	347	250
Morocco	178	403	6	—	316	429
Tunisia	168	264	6	—	337	277
Iraq	—	—	—	—	241	198
Syria	176	201	28	22	325	239
Ethiopia	119	32	42	40	178	75
Ivory Coast	178	231	—	—	178	231
Bangladesh	115	42	71	70	346	112
China	1346	112	3	11	1419	127
Indonesia	182	5	—	—	182	5
N. Korea	228	33	—	—	228	33
Brazil	126	—	—	—	162	—
Cuba	224	105	—	—	343	160
Others	1638	1748	443	—	2593	3159
TOTAL	9960	9520	1023	1713	14543	14226

EC WHEAT SITUATION
(MILLION TONS)

	PRODUCTION			Domestic Feed Use Change	Additional Surplus Over 1983/84
	1983/84	1984/85	Change		
France	24.8	31.5	+ 1.2	+ 1.2	+ 5.5
Germany	9.0	9.8	+ 0.8	+ 0.2	+ 0.6
United Kingdom	10.9	13.8	+ 2.9	+ 0.4	+ 2.5
Italy	8.5	9.5	+ 1.0	—	+ 1.0
Greece	2.0	2.9	+ 0.9	—	+ 0.9
Subtotal			+12.3	+ 1.8	+10.5
TOTAL EC	59.3	72.3	+13.0	+ 2.0	+11.0

WORLD CORN & EC FEED WHEAT PRICES

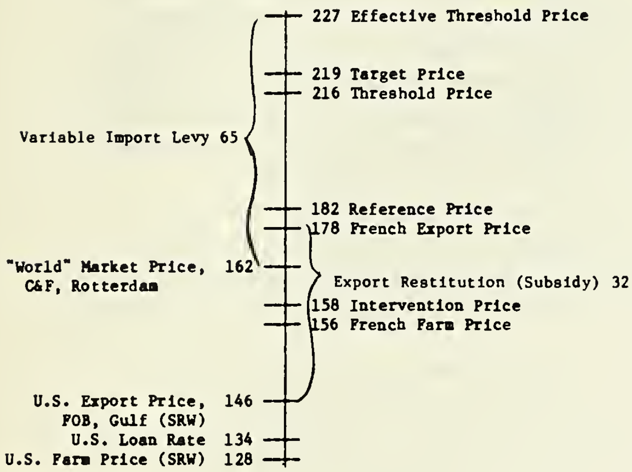


1/ October-December 1984 are September quotes for forward delivery and are converted at September ECU rates.

* Converted at prevailing exchange rate; the ECU equivalent is also adjusted downward by 5 ECU's for the entire period so as to reflect assumed differential for quality and location.

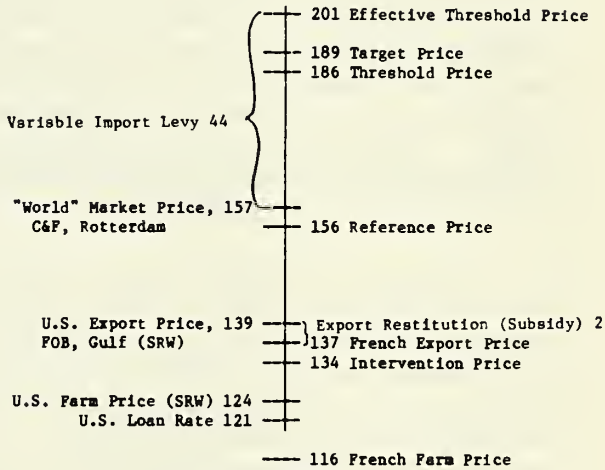
U.S. AND EC COMPARATIVE PRICE RELATIONSHIPS

U.S.-EC WHEAT PRICE RELATIONSHIPS AS OF MID-DECEMBER, 1983
($ per ton) 1/



1/ $1=1.237 ECU

U.S.-EC WHEAT PRICE RELATIONSHIPS AS OF MID-SEPTEMBER, 1984
($ per ton) 1/



1/ $1=1.380 ECU

NOTE: Effective EC Threshold price is derived from the daily levy plus the world market price and represents the actual margin of EC market protection.

DEFINITIONS: EC TARGET PRICE - is a theoretical price to producers in the most deficit grain production area of the EC (Duisberg, Germany), and serves as the basis for determining the threshold price.

EC THRESHOLD PRICE - is the minimum price at which grain can be imported into the EC; derived from the target price, the difference is basically transportation costs between Duisberg and Rotterdam.

EC INTERVENTION (REFERENCE) PRICE - is the legislated market support price at which EC storage centers must take all offers of grain of pre-specified quality.

CURRENT EC WHEAT PRICE SITUATION

A fundamental variable influencing the export restitution is the current price level at which EC wheat can be originated for export. With the exceptionally large crop this season, internal EC wheat prices have come under more pressure during the recent months than ever before. Some wheat has left the farm at prices substantially below the support level because producers did not have adequate storage. Furthermore, market psychology led some farmers to sell because they thought prices would continue to fall. In addition to the supply surplus, the delay in intervention payments and the limitation of wheat accepted into bread making intervention are the major factors putting downward pressure on EC wheat prices.

The EC wheat market has a two-tiered price support system: The higher quality wheat is eligible for intervention at the reference price, while feed wheat can enter regular intervention and receive the intervention price. During the 1981/82-1983/84 period the prevailing differential between intervention and reference prices was about 16 percent. This enabled producers to receive a premium for high quality wheat, with French farmers probably benefitting the most from the system. For the 1984/85 season, the EC has lowered the reference price premium to 7 percent in an effort to reduce prices and save money. This move by the EC has more or less eliminated any price incentive for producers to concentrate on the quality of their output and will only contribute to the current trend of planting high-yielding feed wheat varieties.

At this time, EC wheat prices appear to have bottomed out and export values are now resting on the price floor provided by the regular intervention. Sources within the EC have said that prices would be 10 to 15 percent lower in the absence of any support mechanism. Intervention provides the farmer or grain merchant with the option of delivering grain to an EC sanctioned warehouse for a guaranteed price. Once grain enters intervention, it is isolated from the market until EC authorities decide to release stocks for export via a tender system or to sell intervention grain into domestic feed channels. Thus the system effectively puts a lower limit on the market price and bolsters farm prices by restricting available supplies.

In 1983/84 the bread making wheat intervention was limited to 3 million tons and the EC has retained this quantity limitation for the current marketing year. Under the limited intervention scheme, the first 750,000 tons of wheat were accepted from offers submitted during August, a second 750,000-ton tranche will be taken from September offerings and the final 1.5 million tons will be accepted in October. The limitation on the amount of wheat that can go into bread making intervention has severely weakened the role of the reference price in the price support structure. With the high quality of this year's wheat crop, the supply of bread making wheat greatly exceeds the demand from the internal market and export outlets. As a result, the bread making wheat intervention has been inundated with wheat. Nearly 14 million tons were offered by producers and the grain trade during the month of August. Much of this surplus bread wheat will undoubtedly end up in regular intervention at the lower price.

The current price received by EC producers is about 10 percent below the regular intervention price due to a number of costs connected with putting grain into intervention. Foremost among these is the financing cost (or interest foregone) during the 120 day waiting period for payment from the intervention authorities. Other costs include transportation and grain conditioning. Most farmers sell to a grain company (or cooperative in the case of France) and let the merchants deal with the frustrations of satisfying the intervention authorities. In this process the grain company has the opportunity to make a margin through blending operations and economies of scale. The current relationship between farm level prices and intervention prices in the UK and France are typically the following:

United Kingdom	
Farm Price	L 103.00
Transportation	3.50
Interest	4.50
Shrinkage & drying	1.75
Other	2.25
Intervention Price	L 115.00

France	
Farm Price	FF 1100
Transportation	40
Cooperative charges	60
Marketing assessment	50
Intervention Price	FF 1250

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250 Telephone (202) 447-2009

U.S. WHEAT PROGRAMS

	1983 Program Equivalent: Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent: Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent: Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Trigger Release Price	$200	$4.45	--	-- 2/	--	--
Target Price	$195	$4.30	$198	$4.38	$198	$4.38
Loan (Reserve)	$171	$3.65	--	--	--	--
National Loan	$171	$3.65	$158	$3.30	$158	$3.30
Season Average Producer Price	$167	$3.54	$158-167	$3.30-3.55 3/	--	--
Current Farm Price	--	--	$161	$3.38 3/	--	--
Paid Diversion	$136	$2.70	$136	$2.70	$136	$2.70

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of September 26, 1984.

U.S. CORN PROGRAMS

	1983 Program Equivalent Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Season Average Producer Price	$159	$3.25	$140-$152	$2.75-$3.05	--	--
Trigger Release Price	$159	$3.25	--	-- 2/	--	--
Current Farm Price	$143	$2.83 3/	--	--	--	--
Target Price	$144	$2.86	$151	$3.03	$151	$3.03
National Loan	$136	$2.65	$132	$2.55	$132	$2.55
Loan (Reserve)	$136	$2.65	$132	$2.55	--	--
Paid Diversion	$91	$1.50	--	--	--	--

1/ Estimated equivalent, adjust from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of September 26, 1984.

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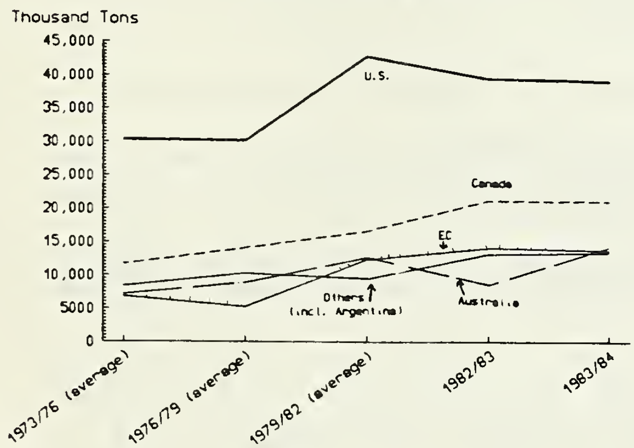
EMG-10-84
OCTOBER 1984

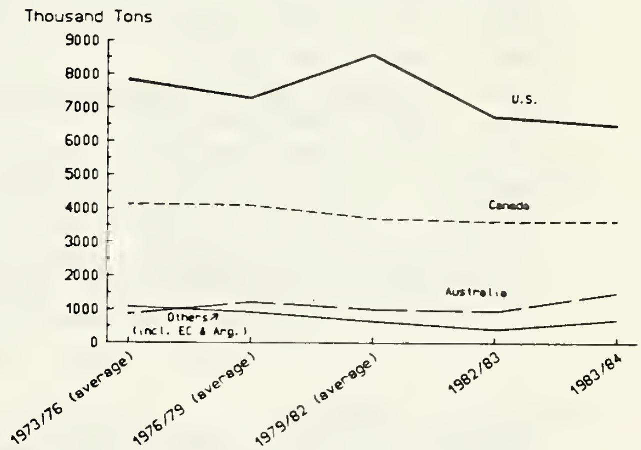
EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES

In light of the recent period of unusually competitive conditions in the world wheat market, it is of timely interest to note the pattern of performance by the different major wheat exporting countries, not only in the world market as a whole, but in various selected segments. While the question of long term trade pattern changes frequently arises, the necessary data has heretofore not been available in readily useable form. This month's cover analysis provides a preliminary view of these trade pattern changes over the period 1973-1984. A more detailed statistical report on this long term trade pattern data will be released shortly in the form of a special circular report. The following graphs summarize selected portions taken from this new report; supporting trade tables, based largely on reports compiled by the International Wheat Council, appear on page 12.

WORLD WHEAT EXPORTS TO
All Destinations
(July-June Years)

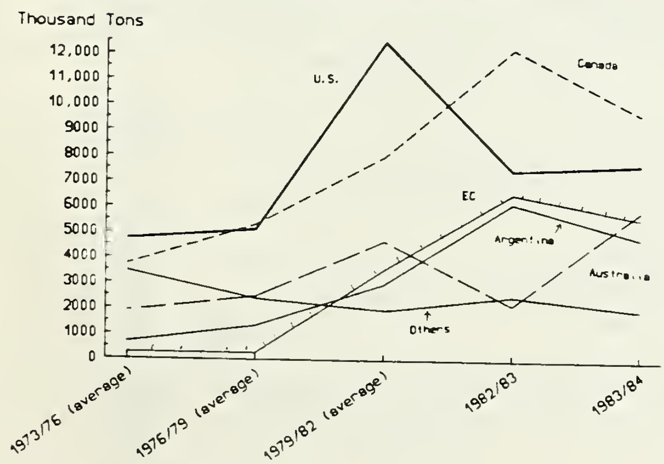


WORLD WHEAT EXPORTS TO
Selected Cash Markets *
(July-June Years)



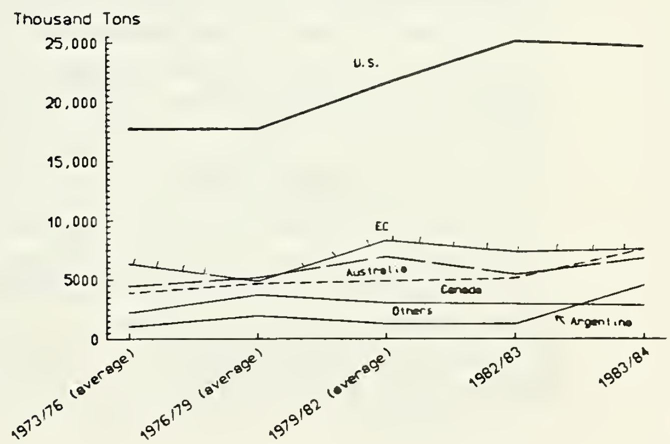
* Western Europe (excl. Portugal), Canada, U.S., Japan, South Korea, and South Africa

WORLD WHEAT EXPORTS TO
Centrally Planned Markets *
(July-June Years)



* Eastern Europe, USSR, & China

WORLD WHEAT EXPORTS TO
All Other Markets
(July-June Years)



EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES
October 26, 1984

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HIGHLIGHTS

The U.S. wheat export forecast was raised again this month, as a result of expected expansion in world import demand. However, the U.S. forecast remains somewhat constrained by increasing EC and Southern Hemisphere wheat supply prospects. As a result of expected strong demand for U.S. corn from the Soviet Union, the corn export forecast was also raised. The prospects for increased corn exports from the U.S. will most likely be tempered by ample world supplies of other competing coarse grains such as barley, and feed wheat. The U.S. rice export forecast for calendar year 1985 remains unchanged this month, but could improve if world prices increase because of a decrease in exportable supplies from Thailand.

Major developments affecting U.S. exports over the past month include:

--EC export authorizations for barley are already at the level of total exports during 1983/84, just 3 1/2 months into the current marketing year.

--Iraq is plagued with a short wheat crop because of drought and will need sharply increased imports in 1984/85.

--Finland could export much of its low quality wheat crop as feed, and will require larger imports of milling wheat.

--India is reportedly negotiating to sell some of its surplus wheat to the Soviet Union.

--Pakistan is raising its domestic wheat procurement prices to enable farmers to make better use of costly fertilizer and other inputs, but may need as much as 1 million tons of wheat in 1984/85 to offset a short crop.

--Zambia's corn import requirements are up 25 percent because of three years of drought.

--In the Taiwan corn market, U.S. corn is facing increased competition from Thailand.

--Spain is encouraging larger areas to be planted with corn, hoping to cut down on imports.

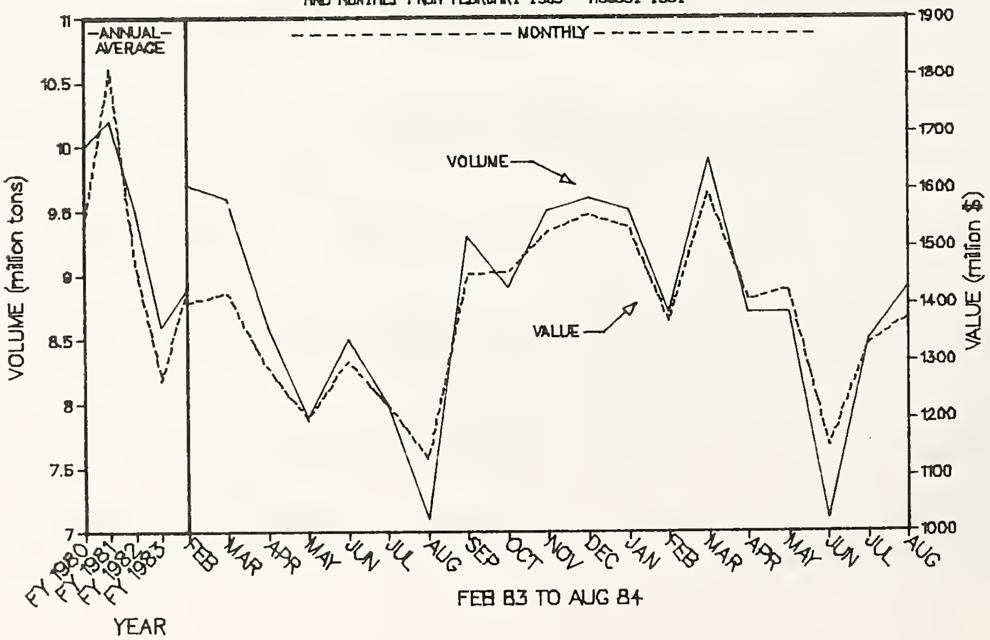
--Brazil purchased its first significant quantity of dry edible beans from the United States since 1981/82.

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1984 AND COMPARISON WITH PRECEEDING YEAR

	AUG 6		CUMULATIVE OCT THRU AUG 6		ACTUAL EXPORTS	PROJECTED EXPORTS
	FY 83	FY 84	FY 83	FY 84	FY 83	FY 84
WHEAT (grain only)						
Quantity (1000 tons)	2,390	3,978	33,453	35,094	36,751	39,000
Value Per Ton (dollars)	161	150	161	157	161	157
Value (in million dollars)	385	595	5,387	5,505	5,918	6,123
CORN (grain only)						
Quantity (1000 tons)	3,021	3,435	43,494	44,267	47,105	47,195
Value Per Ton (dollars)	142	147	119	150	121	150
Value (in million dollars)	428	506	5,185	6,635	5,717	7,079
SORGHUM (grain only)						
Quantity (1000 tons)	490	452	4,776	5,548	5,403	6,225
Value Per Ton (dollars)	133	124	120	136	122	135
Value (in million dollars)	65	56	575	753	661	840
BARLEY, OATS, AND RYE (grain only)						
Quantity (1000 tons)	128	108	645	1,698	990	2,000
Value Per Ton (dollars)	133	130	116	138	121	137
Value (in million dollars)	17	14	75	235	120	274
TOTAL COARSE GRAINS (grain only)						
Quantity (1000 tons)	3,639	3,995	48,915	51,513	53,498	56,420
Value Per Ton (dollars)	140	144	119	148	121	148
Value (in million dollars)	510	576	5,835	7,623	6,498	8,193
RICE (grain only)						
Quantity (1000 tons)	221	182	1,928	1,951	2,209	2,200
Value Per Ton	394	396	400	410	396	410
Value (in million dollars)	87	72	772	800	874	902
PULSES						
Quantity (1000 tons)	24	25	425	361	457	385
Value Per Ton (dollars)	417	400	409	454	416	450
Value (in million dollars)	10	10	174	164	190	173
FLOUR AND OTHER GRAIN PRODUCTS						
Quantity (1000 tons-gr. equiv)	323	106	2,978	2,511	3,448	2,650
Value Per Ton (dollars)	170	301	179	211	165	213
Value (in million dollars)	55	31	532	530	569	565
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS						
Quantity (1000 tons)	497	582	6,385	6,434	6,991	7,000
Value Per Ton (dollars)	167	158	163	171	164	171
Value (in million dollars)	83	92	1,042	1,100	1,145	1,200
TOTAL VOLUME (in thousand tons)	7,094	8,868	94,084	97,864	103,337	106,655
TOTAL VALUE (in million dollars)	1,130	1,376	13,742	15,722	15,194	17,156

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM FEBRUARY 1983 - AUGUST 1984



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. The U.S. wheat export estimate for June-May 1984/85 has been increased to 42.9 million tons, second only to 1981/82 record shipments of 48.2 million. World wheat import needs for 1984/85 continue to expand and with limited exportable supplies in some of the major export countries, this growth provides an ideal opportunity for larger U.S. exports.

Shipments and Sales. Shipments of U.S. wheat for the week ending October 18 continue the heavy pace of the previous two periods, reflecting the exceptionally heavy shipments to the USSR. Cumulative shipments for the marketing year to date are running around 40 percent above the year earlier pace. Sales activity during the 4-week period ending October 18 at 3.2 million tons was about the same as a year earlier but was the lowest 4-week sales total since the start of the 1984/85 marketing year.

IMPORTER BUYING ACTIVITY

The Soviet Union continued purchases of U.S. wheat this month, and Brazil and Iraq made initial FY 1985 purchases under GSM credit. Bangladesh started to cover its increased import needs with purchases from the U.S., Korea and Japan remained steady customers, and Taiwan bought high protein milling wheat for delivery through May.

WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN SEPTEMBER 28, 1984 AND OCTOBER 24, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
10/19	Algeria	U.S.	180,000	#3 Hd Durum	177.10 @ 182.98 C&F	Dec-March
10/22	Algeria	EC	390,000	Soft Wheat	148.25 @ 150.00 C&F	Dec-March
10/15	Bangladesh	U.S.	99,000	WW	162.59 @ 163.28 C&F	Nov
10/23	Bangladesh	U.S.	110,250	WW	137.35 @ 137.95	Nov
10/5	Brazil	U.S.	165,000	HRW 11%	157.94 @ 160.39	Dec-Feb
10/5	Brazil	Argentina	25,000	?	145.97	Jan
10/10	Brazil	Argentina	25,000	?	142.37	Jan
10/10	Brazil	U.S.	66,000	HRW 11%	159.98 @ 160.00	Jan
10/17	Brazil	U.S.	99,000	HRW	158.97 @ 160.07	Jan-Feb
10/24	Brazil	U.S.	132,000	HRW	159.93 @ 160.20	Feb-March
10/24	Brazil	Argentina	50,000	?	140.50 @ 141.63	Feb
10/11	Ethiopia	EC	50,000	Soft Wheat	154.50 C&F	Nov
10/22	Iraq	U.S.	110,000	HRW	?	?
10/23	Iraq	U.S.	135,000	HRW	156.75	Dec
10/11	Japan	U.S.	15,500	HRW 11 1/2%	?	Dec
10/11	Japan	U.S.	34,700	CWRS	?	Dec
10/11	Japan	Australia	46,400	ASW	?	Dec
10/17	Japan	U.S.	36,247	WW,HRS,HRW	?	Dec
10/17	Japan	Canada	52,794	Sp. Durum	?	Dec
10/17	Japan	Australia	15,000	WW	?	Dec
10/24	Japan	U.S.	97,147	WW,HRW,CWRS,ASW	?	Dec
10/24	Japan	Canada	17,000	WW,HRW,CWRS,ASW	?	Dec
10/24	Japan	Australia	16,000	WW,HRW,CWRS,ASW	?	Dec
09/28	Korea	U.S.	62,000	WW, HRW, HRS	various	Nov
10/5	Korea	Australia	30,000	ASW	130.50 C&F	Nov-Dec
10/17	Korea	U.S.	46,500	WW, HRS, HRW	various	Nov-Dec
10/18	Korea	U.S.	41,965	WW, HRS, HRW	various	Dec
10/19	Korea	U.S.	65,800	WW, HRS, HRW	various	Nov-Jan
10/12	Philippines	U.S.	25,000	HRS 14%	175.38	Nov-Dec
10/17	Portugal	U.S.	60,000	SRW	?	Nov-Dec
10/18	Portugal	U.S.	30,000	SRW	142.47	Oct-Nov
10/12	Syria	U.S.	50,000	HRW	?	Dec
10/12	Syria	EC	100,000	Soft Wheat	?	Dec
10/1	Taiwan	U.S.	50,000	HRW 12%	various	Nov-March
10/2	Taiwan	U.S.	60,000	HRS 14%	170.44 @ 172.88	Nov-May
10/3	Taiwan	U.S.	50,000	HRW 12%	various	Nov-March
10/1	USSR	U.S.	200,000	HRW	?	?
10/10	USSR	U.S.	100,000	HRW	?	?
10/17	USSR	U.S.	121,450	HRW	?	?

1/ HRW=Hard Red Winter, HRS=Hard Red Spring, SRW=Soft Red Winter, HAD=Hard Amber Durum, WW=Western White ASW=Austrailian Soft White, CWRS=Canadian Western Red Spring
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

U.S. MARKET OPPORTUNITIES

**Iraq: A drought reduced wheat crop of only 250,000 tons, compared to a five-year average crop of approximately 1 million tons, will mean sharply higher wheat imports in 1984/85. A large portion of the Iraqi crop was plowed under and not reseeded in the northern, rain-fed growing region. Irrigated wheat fared better and every effort is being made to plant winter wheat this year in areas where ample water supplies exist. Stocks will be drawn down considerably and the exact amount of imports needed will not be known until this year's wheat crop starts to emerge in December. Purchasing decisions for early 1985 will be made then, and it is expected that Iraq will need considerably more than the 3 million tons imported in 1983/84, when the United States supplied about 1.2 million tons.

**Finland: According to trade sources, Finland may import larger quantities of wheat than earlier expected. Due to wet weather conditions during the maturing and harvesting period, the quality of this year's crop is said to be poor. This may lead to increased exports of domestic wheat for feed, which would need to be offset by increased imports of milling-quality wheat.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**Australia: Egyptian Ministry of Supply sources recently confirmed that a new wheat supply agreement has been signed with the Australian Wheat Board (AWB), which calls for a minimum of 1.5 million tons to be purchased each calendar year for the next five years. The previous agreement had specified a 1 million ton per year minimum level, and both involve three-year credit at commercial terms. In addition, Egypt has agreed to purchase a minimum of 2.0 million tons in calendar year 1985. The AWB will undertake various market development activities in Egypt in all aspects of milling, baking and storage technology.

**India: Unconfirmed reports indicate that the Government of India (GOI) is negotiating a sale of up to 2 million tons of wheat to the USSR. GOI wheat stocks are at a near record level of 17 million tons, and since consumption in many states was lower than expected, the GOI has had difficulty storing 1983/84 (Apr-Mar) wheat procurements. Prospects for the 1984/85 crop are again good, which will no doubt further exacerbate GOI's wheat stocking problems. For this reason, the GOI is considering exports as a solution to reduce this year's high carryover levels.

**EC: EC wheat exporters are reportedly 1.6 million tons short on export restitutions. Apparently the grain trade has made sales in anticipation of higher restitutions that would result from a weakening of the U.S. dollar, lower world wheat prices, or a strengthening of internal EC wheat prices. However, the EC Commission has refused all offers for export at its weekly tenders for the last four weeks, evidently because restitution requests were too high.

Competitive Developments in Selected Foreign Markets

**Jordan: The United States faces new competition from Australia in the Jordan market. The U.S. market share of the Jordan commercial wheat market, which is almost 100 percent, is being challenged by a recent Jordanian purchase of Australian wheat. Earlier in the year, Australian Wheat Board (AWB) officials visited Jordan and submitted wheat samples that were tested and found satisfactory by the Ministry of Supply. A sale of 25,000 tons followed the AWB visit, the first in over 30 years. The MOS refused an offer of a long-term supply agreement, preferring instead to purchase on open tender for the lowest price. Another cargo of wheat purchased from Australia for September delivery was priced about US$3 per ton under the U.S. c.&f. price, and this wheat will be tested and judged by Jordanian public-sector millers. Jordan is a growing market for U.S. hard wheats, having tripled import requirements over the past three years to an estimated 340,000 tons in calendar year 1984.

Internal Price Policies Of Foreign Countries

**Canada: An increase of 34 percent in the average producer freight rate to transport each ton of western province grain by rail to export terminals at either Vancouver or Thunder Bay under the Western Grain Transportation Act (WGTA) was announced August 1, 1984. The WGTA, or Crow rates, were recently revised for the first time since before 1900, and western province producers will still pay only an average of 16¢ per bushel to ship grain to export terminals, with proportionate increases in freight rates every two marketing years until 1991/92. This is expected to add an additional C$60 million to prairie producer costs of moving grain in the 1984/85 (Aug-July) marketing year.

It was also announced that as a result of amendments made to the Western Grain Stabilization Program (WGSP), a C$100 million interim payment was made to western producers for the 1983/84 crop. The WGSP guarantees that each year the net cash returns to prairie producers as a group will not be below the previous 5-year average. It is a voluntary program jointly funded by producers and the federal government. Prior to the 1983/84 season, no payouts had been made since 1981/82, but low prices and slow export movement triggered the payout provisions. It is expected that a final payment will be made this fall after final computations are made, and that the final figure could approach C$500 million.

**Pakistan: The Government of Pakistan (GOP) announced October 1 that the official procurement price of wheat to be paid in April, 1985 was raised 9.4 percent. The wheat price was raised for the first time in two years in order to allow Pakistani farmers to make better use of higher cost fertilizer and other inputs, and reportedly not to encourage production since prices for competing oilseed crops are currently high as well. The GOP has not yet announced a corresponding increase in the issue price of wheat supplied to consumers through ration shops, but most likely will do so next spring when procurement of the 1984/85 (May-April) wheat crop begins. The issue price increase is anticipated in order for the GOP to keep its food subsidy bill, currently estimated at approximately US$78 million ($1=14.1 rupees), at reasonable levels. Although in 1983/84 Pakistan approached self-sufficiency in wheat production, a drought-affected 1984/85 crop will increase imports to nearly one million tons.

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis. For example, in terms of quality differentials, the Canadian price is set for No. 1 CWRS, while No. 2 CWRS was discounted by approximately C$6 per ton and No. 3 CWRS by about C$11 per ton; No.1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

Exporter	1983/84 U.S.$ Equivalent		1983/84 Local Currency	1984/85 U.S.$ Equivalent		1984/85 Local Currency
	per bu	--------per ton	---------	per bu	--------per ton	-------
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.97	109	10,000 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	N/A	N/A	N/A (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate. Current price as of September 17, 1984.

N/A Not available.

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY--MILLION TONS)

Monthly Shipments

4 Weeks Ending	1983/84	1984/85
July 19	2.9	3.0
Aug. 23	2.8	4.2
Sep. 20	2.5	5.1
Oct. 18	2.9	4.5
Cumulative for MY......	13.1	18.7

Monthly Sales 2/

4 Weeks Ending	1983/84	1984/85
July 19	2.3	4.8
Aug. 23	2.9	5.4
Sep. 20	5.4	4.0
Oct. 18	3.1	3.2
Cumulative for MY	21.8	27.4

Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending October 11............	1.1	39.9
Week Ending October 18............	0.8	29.8
Official Estimate for Current MY (Grain only)......................	40.8	1500
Implied Weekly Average............	0.8	28.8
Latest Six Weeks Weekly Average.....................	1.3	47.6
Marketing Year-To-Date Weekly Average.....................	1.0	35.8
Weekly Avg. Extrapolated Annually..	50.7	1862
Balance of Year to Achieve Estimate Implied Weekly Average............	0.7	24.5

1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.

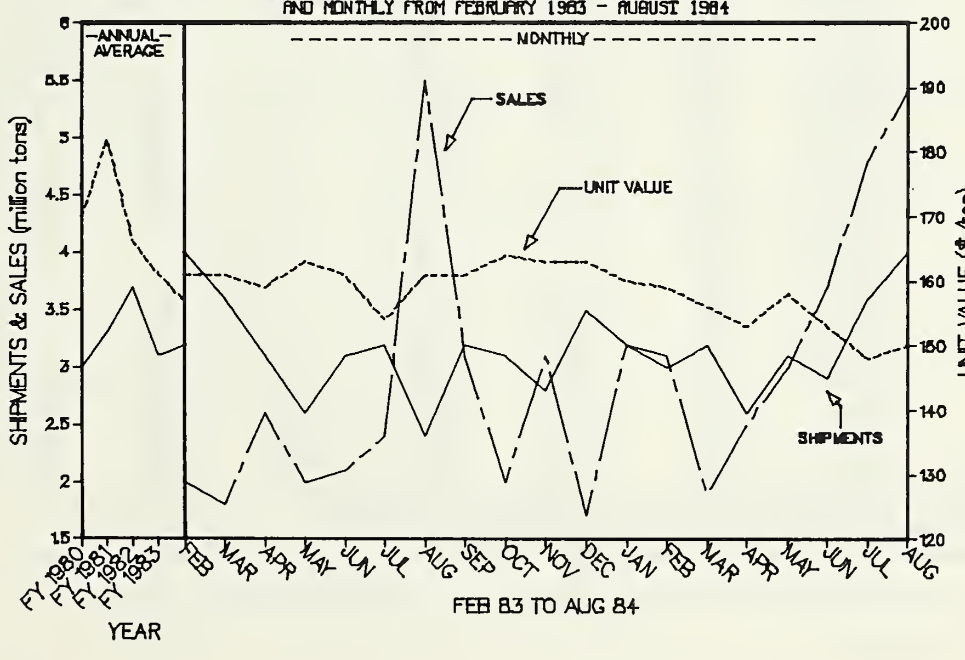
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1983/84-1984/85
(JULY/JUNE--MILLION TONS)

4 Weeks Ending 1/	Canada 83/84	Canada 84/85	Australia 83/84	Australia 84/85	Argentina 83/84	Argentina 84/85	France 2/ 83/84	France 2/ 84/85	Total 83/84	Total 84/85
Jul. 19	2.4	N/A	.4	1.4	.6	.3	.3	.3	3.7	2.0
Aug. 23	2.3	2.3	.4	1.0	.7	.1	.7	1.1	4.1	4.5
Sept 20	2.1	2.3	.4	1.1	.4	.1	1.6	N/A	4.5	3.5
Oct. 25	2.4	1.3	.4	1.3	.5	.1	.5	N/A	3.8	2.7
Cumulative since July 1	4.5	5.3	1.2	N/A	1.6	.3	3.1	1.4	10.4	7.0
Total for Season 3/	21.1	17.2	11.6	15.0	9.6	5.7	9.5	11.0	51.8	48.9

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1984/85.
* Denotes less than 50,000 tons.

U.S. WHEAT SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM FEBRUARY 1983 - AUGUST 1984



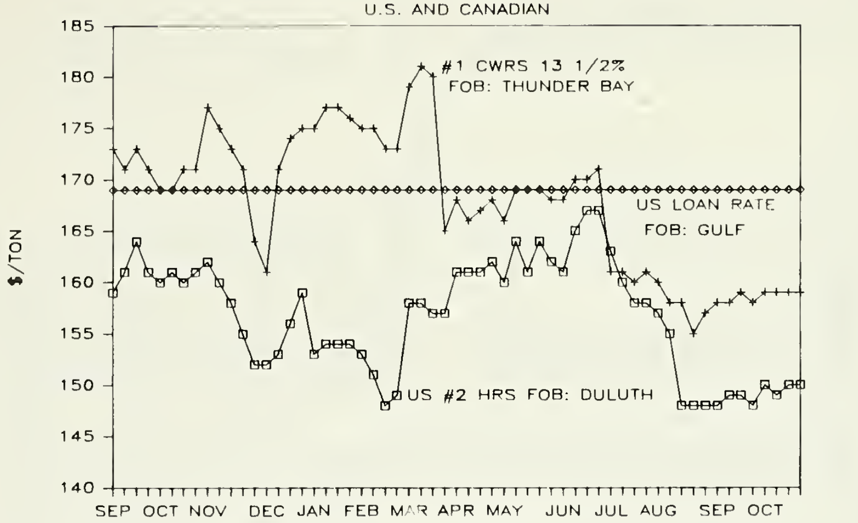
U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1982/83-1983/84; COMMITMENTS TO DATE FOR 1984/85 WITH COMPARISON TO 1983/84
(JUNE/MAY—1,000 TONS)

Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1982/83	3	1,162	35	53	495	1,748
	1983/84	3	1,218	2	—	263	1,491
	1983/84*	3	684	3	—	125	815
	1984/85**	—	349	4	—	107	460
Other W. Europe	1982/83	343	95	289	4	7	738
	1983/84	795	32	411	16	49	1,302
	1983/84*	150	20	192	—	26	363
	1984/85**	354	29	499	—	30	912
Eastern Europe	1982/83	—	—	122	—	74	196
	1983/84	—	—	283	—	72	355
	1983/84*	30	—	283	—	22	335
	1984/85**	—	—	—	—	4	4
USSR	1982/83	3,374	—	—	—	—	3,374
	1983/84	4,141	—	—	—	—	4,141
	1983/84*	2,050	—	—	—	—	2,050
	1984/85**	5,726	—	—	—	—	5,726
China	1982/83	386	—	4,938	—	—	5,324
	1983/84	1,368	—	1,549	—	—	2,917
	1983/84*	782	—	772	—	—	1,553
	1984/85**	105	—	2,839	—	—	2,944
Japan	1982/83	1,266	987	20	1,049	—	3,322
	1983/84	1,287	1,010	—	1,126	12	3,435
	1983/84*	602	558	—	606	—	1,767
	1984/85**	674	516	—	612	—	1,802
India	1982/83	2,480	—	—	1,405	—	3,885
	1983/84	198	—	—	968	—	1,166
	1983/84*	198	—	—	982	—	1,180
	1984/85**	—	—	—	—	—	—
Taiwan	1982/83	309	195	—	170	—	674
	1983/84	245	185	—	130	—	561
	1983/84*	256	165	—	126	—	547
	1984/85**	260	172	—	113	—	544
Rep. of Korea	1982/83	605	162	—	990	—	1,757
	1983/84	649	221	2	1,179	—	2,051
	1983/84*	356	120	2	602	—	1,079
	1984/85**	352	110	—	568	—	1,029
Other Asia, Middle East, and Oceania	1982/83	2,554	1,858	833	568	1	5,814
	1983/84	2,288	1,232	258	1,222	21	5,021
	1983/84*	1,267	707	190	665	25	2,851
	1984/85**	1,453	571	171	998	—	2,894
Egypt	1982/83	—	—	397	1,331	—	1,728
	1983/84	—	—	539	807	—	1,346
	1983/84*	—	—	441	230	—	668
	1983/84**	—	—	213	662	—	876
Nigeria	1982/83	918	242	81	—	—	1,241
	1983/84	1,278	265	88	—	—	1,631
	1983/84*	558	107	39	—	—	703
	1984/85**	541	164	63	—	—	768
Other Africa	1982/83	611	95	1,086	—	666	2,458
	1983/84	471	7	1,876	45	844	3,242
	1983/84*	264	3	800	—	490	1,561
	1984/85**	197	19	1,912	—	593	2,720
Brazil	1982/83	2,113	—	—	—	—	2,113
	1983/84	2,181	—	66	—	—	2,247
	1983/84*	1,856	—	66	—	—	1,922
	1984/85**	2,358	—	66	—	—	2,424
Other W. Hemis.	1982/83	2,172	1,464	559	8	271	4,474
	1983/84	2,223	1,477	514	48	296	4,558
	1983/84*	1,537	959	419	7	211	3,133
	1984/85**	1,511	966	357	140	202	3,176
Total 1/	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1983/84	17,128	5,647	5,593	5,541	1,556	35,464
	1983/84*	10,117	3,436	3,290	3,328	976	21,146
	1984/85**	13,902	2,993	6,440	2,854	1,159	27,349
	MY Projection 2/	21,908	6,260	7,212	5,715	1,769	42,864

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1984/85, including flour and products.
* Sales plus accumulated exports as of October 20, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of October 18, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

HARD RED SPRING WHEAT EXPORT PRICES

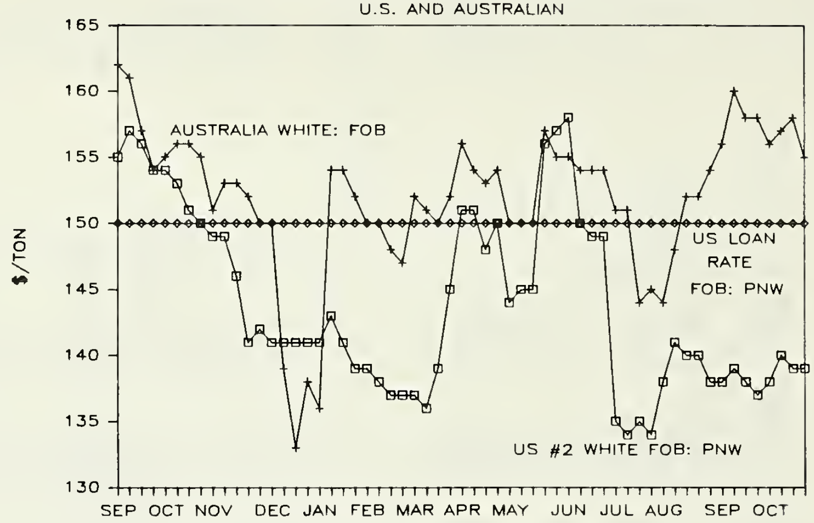
U.S. AND CANADIAN



SEP 83 THRU OCT 84 (MID-WEEK PRICES)

WHITE WHEAT EXPORT PRICES

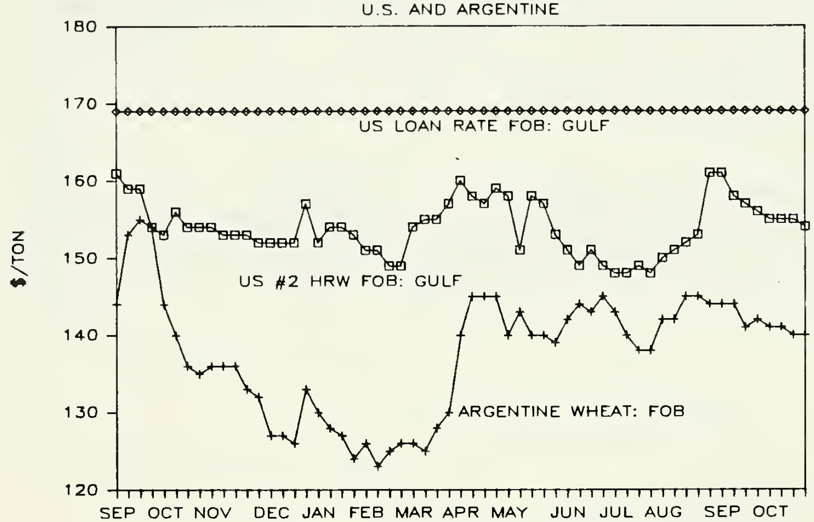
U.S. AND AUSTRALIAN



SEP 83 THRU OCT 84 (MID-WEEK PRICES)

HARD RED WINTER WHEAT EXPORT PRICES

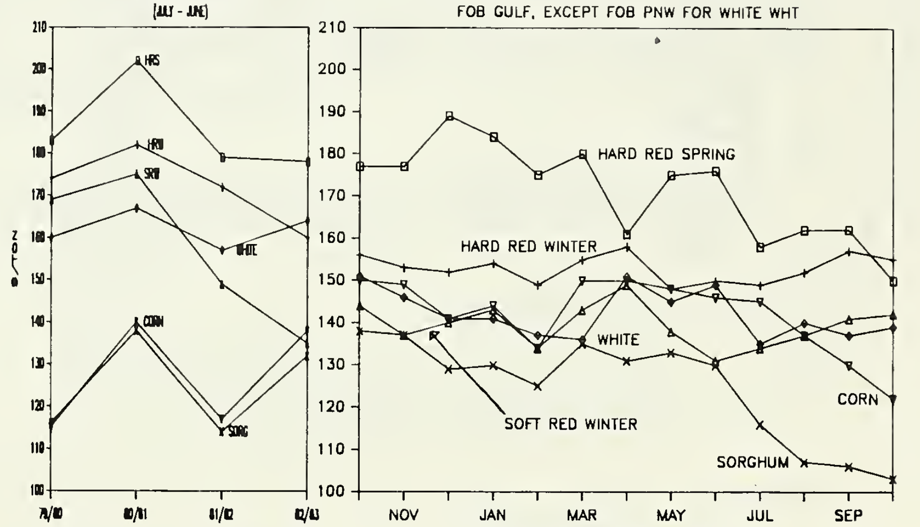
U.S. AND ARGENTINE



SEP 83 THRU OCT 84 (MID-WEEK PRICES)

U.S. GRAIN COMMODITY EXPORT PRICES

FOB GULF, EXCEPT FOB PNW FOR WHITE WHT



OCT 83 TO OCT 84 (MID-MONTH)

U.S. EXPORT EXPANSION ACTIVITY

**CCC Credit:

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES
UNDER CCC GUARANTEE PROGRAMS

	FY 1984		FY 1985 *		
	Total Exports	Estimated Exports Under CCC Programs	Announced	Approved	Estimated Quantity Yet To Be Purchased
	--1,000 Tons--		--Million Dollars--		--1,000 Tons--
Bangladesh	362	300	60	—	400
Brazil	2,097	2,914 1/	500	10.9	3261
Chile	860	567	50	—	333
Colombia	531	566 1/	—	—	—
Costa Rica	124	—	—	—	—
Dominican Rep.	151	106	—	—	—
Ecuador	357	457 1/	60	—	400
Egypt	2,073	526	—	—	—
Guatemala	109	138	—	—	—
Haiti	107	33	—	—	—
Iraq	952	1,225 1/	—	—	—
Jamaica	112	100	—	—	—
Korea	1,798	864	—	—	—
Morocco	1,849	2,245 1/	—	—	—
Nigeria	1,372	—	—	—	—
Peru	642	507	—	—	—
Philippines	572	637 1/	—	—	—
Portugal	720	2,780 1/ 2/	117	—	780
Tunisia	430	691	—	—	—
Turkey	591	500	81	—	540
Yemen	86	—	—	—	—
TOTAL	15,895	15,156	868	10.9	5,714

* Includes GSM-102, GSM-5, and Blended Credit, as of October 6, 1984

1/ Exports under CCC programs exceed total FY 84 because some of the estimated shipments may have actually moved after September 30, 1984.

2/ Wheat or Feedgrains

**PL-480:

INITIAL FY 1985 PUBLIC LAW 480 TITLE I/III
COUNTRY AND COMMODITY ALLOCATIONS
(1,000 TONS GRAIN EQUIVALENT)

Country	$Million-Total	Wheat/Flour	Rice	Feedgrains
$805 or Less Per Capita GNP				
Bangladesh	75.0	219	67	—
Bolivia	20.0	125	—	—
Egypt	225.0	1,448 1/	—	—
El Salvador	44.0	138	—	—
Ghana	6.0	13	6	—
Guinea	6.0	—	19	—
Haiti	15.0	94	—	—
Honduras	15.0	94	—	—
Indonesia	40.0	250	—	—
Kenya	10.0	44	9	—
Liberia	16.0	—	50	—
Madagascar	11.0	—	12	—
Maldives	1.5	4	2	—
Mozambique	10.0	35	6	25
Pakistan	50.0	—	—	—
Senegal	8.0	6	13	25
Sierra Leone	4.0	13	6	—
Somalia	20.0	48 1/	22	—
Sri Lanka	26.0	163	—	—
Sudan	50.0	305 1/	—	—
Yemen	5.0	12 1/	9	—
Zaire	15.0	82 1/	—	14
Zambia	10.0	25	5	—
Subtotal	682.5	3,118	226	64
Over $805 Per Capita GNP				
Costa Rica	28.0	115	—	24
Dominican Republic	22.0	50	—	108
Guatemala	16.0	63	—	—
Jamaica	35.0	110 2/	19	48
Mauritius	3.5	12 1/	5	—
Morocco	45.0	310	—	—
Peru	20.0	50	—	—
Tunisia	5.0	31	—	—
Subtotal	174.5	741	24	180
Allocated	857.0	3,859	250	244
Unallocated Reserve	242.5	—	—	—
TOTAL PROGRAM	1,099.5	—	—	—

1/ Wheat equivalent of flour or contains some portion of wheat equiv. of flour.

2/ Contains some portion of blended and/or fortified foods.

WORLD WHEAT TRADE STATISTICS IN THOUSAND TONS

SOURCE: IWC

WORLD TOTAL

YEAR	ARGENTINA	AUSTRALIA	CANADA	EEC	SPAIN	SWEDEN	USA	USSR	OTHER	WORLD
1973/74	1106	5509	11737	5467	120	394	31068	5035	2635	63071
1974/75	2178	8049	11168	7122	39	1054	28325	4000	1423	63358
1975/76	3111	8072	12136	7729	1	738	31522	1000	2214	66523
1976/77	5584	8357	12904	3912	57	823	26395	1400	2363	61795
1977/78	2670	11144	15899	4479	65	749	31495	1400	4460	72361
1978/79	3307	7246	13471	7349	215	455	32450	2500	4736	71729
1979/80	4748	15364	14958	10270	263	368	36581	500	2933	85985
1980/81	3932	11088	17016	12683	975	432	42077	840	5001	94044
1981/82	4281	11405	17751	13990	231	401	49331	500	2852	100745
1982/83	7471	8530	21120	14085	650	703	39315	440	3831	96145
1983/84 1/	9592	14213	20926	13681	NA	NA	38857	NA	NA	97484

SELECTED CASH MARKETS

YEAR	ARGENTINA	AUSTRALIA	CANADA	EEC	SPAIN	SWEDEN	USA	USSR	OTHER	WORLD
1973/74	425	474	4370	234	42	292	7832	0	302	13971
1974/75	250	963	3920	317	15	428	7403	0	124	13420
1975/76	469	1158	3932	271	1	235	8947	0	177	15190
1976/77	922	1241	4071	106	0	188	7178	0	92	13798
1977/78	362	1245	4618	27	6	161	8151	0	153	14723
1978/79	358	1161	3635	445	0	171	7999	0	91	13860
1979/80	51	1069	3809	321	17	120	8793	0	26	14206
1980/81	144	937	3838	600	2	8	9597	0	30	15156
1981/82	22	968	3500	519	2	154	9435	0	22	14622
1982/83	57	934	3610	201	1	114	7264	0	37	12218
1983/84 1/	223	1504	3636	477	NA	NA	7214	NA	NA	13054

CENTRALLY PLANNED MARKETS

YEAR	ARGENTINA	AUSTRALIA	CANADA	EEC	SPAIN	SWEDEN	USA	USSR	OTHER	WORLD
1973/74	29	1256	3247	72	0	39	6766	3300	983	15692
1974/75	890	1941	2796	205	0	142	2598	3000	600	12172
1975/76	1155	2476	5203	493	0	348	4861	200	1800	16536
1976/77	1665	1118	4452	221	0	308	4330	650	1166	13910
1977/78	1496	4858	5870	6	0	367	4760	650	1384	19391
1978/79	885	1518	5628	544	0	180	6270	1800	546	17371
1979/80	2486	6418	6064	2216	0	125	8665	0	582	26556
1980/81	3175	3862	8619	3432	755	332	12850	460	1833	35318
1981/82	3303	3761	9295	5001	114	130	15957	50	1497	39108
1982/83	6174	2174	12231	6548	348	295	7484	0	1902	37156
1983/84 1/	4830	5908	9691	5617	NA	NA	7745	NA	NA	33991

ALL OTHER MARKETS

YEAR	ARGENTINA	AUSTRALIA	CANADA	EEC	SPAIN	SWEDEN	USA	USSR	OTHER	WORLD
1973/74	652	3779	4120	5161	78	63	16470	1735	1350	33406
1974/75	1038	5145	4452	6600	24	484	18324	1000	699	37766
1975/76	1487	4438	3001	6965	0	155	17714	800	237	34797
1976/77	2997	5998	4381	3585	57	327	14887	750	1105	34087
1977/78	812	5041	5411	4446	59	221	18584	750	2923	38247
1978/79	2064	4567	4208	6360	215	104	18181	700	4099	40498
1979/80	2211	7877	5085	7733	246	123	19123	500	2325	45223
1980/81	613	6289	4559	8651	218	92	19630	380	3138	43570
1981/82	956	6676	4956	8470	115	117	23939	450	1333	47015
1982/83	1240	5422	5279	7336	301	294	24567	440	1892	46771
1983/84 1/	4539	6801	7599	7587	NA	NA	23898	NA	NA	50439

NA - Not Available. 1/ Preliminary. Data for Arg, Aus, and Can is complete, EC data is incomplete, US data is from Census Tables.

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast

In response to expected additional demand from the Soviet Union, the projected October-September 1984/85 U.S. corn export forecast was increased to 53.6 million tons, excluding 430,000 tons of products. Projected October-September 1984/85 U.S. sorghum exports remain unchanged from last month at 6.4 million tons. Heavier than expected export movement in the final weeks of the 1983/84 season prompted increases in the October-September 1983/84 U.S. corn and sorghum export estimates to 47.2 million tons and 6.2 million tons, respectively.

Shipments and Sales

Sales of U.S. corn for the 4-week period ending October 18 continued at last month's level, but well below the heavy pace during August. Although USSR corn purchases have tailed off in recent weeks, sales to Japan and Taiwan have picked up. The major destinations for corn shipments this month were Japan, Mexico and the USSR. Sorghum sales were off somewhat this month and below the year ago level as well. Japan was the principal sorghum buyer. There was a surge in sorghum shipments over the past four weeks; Japan and Mexico were the major destinations.

Importer Buying Activity

Corn buying activity has picked up from markets other than the USSR over the past month. Taiwan has bought considerable quantities of corn during the time its buying team has been in the United States. Algeria and Iraq were also major corn purchasers in recent weeks.

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN SEPTEMBER 28, 1984 AND OCTOBER 24, 1984

Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per Ton)	Delivery Period 3/
10/22	Algeria	U.S.	255,000	YC	125.25 @ 126.50	Jan-March
09/28	Iraq	U.S.	350,000	YC	?	?
10/24	Japan	U.S.	46,000	YC, barley	?	Dec
10/9	Kenya	Thailand	100,000	YC	153.94 @ 154.00 C&F	Nov/Dec
10/5	Korea	U.S.	30,000	YS	120.44 C&F	Nov/Dec
10/5	Korea	U.S.	20,000	YC	139.84 C&F	Nov/Dec
10/11	Korea	U.S.	52,000	YC	128.12	Nov
10/17	Korea	China	20,000	YC	134.50 C&F	Nov/Dec
10/19	Korea	China	20,000	YC	134.50 C&F	Nov/Dec
10/23	Korea	U.S.	100,000	YC	126.83 @ 127.07	Dec
10/19	Mexico	U.S.	127,000	#2 YC	various	Nov/Dec
10/19	Mexico	U.S.	20,000	#2 YS	?	Nov
10/1	Taiwan	U.S.	60,000	YC	various	Nov/May
10/3	Taiwan	Thailand	49,000	YC	137.75 @ 141.35 C&F	Oct
10/5	Taiwan	U.S.	54,000	YC	143.23 C&F	Oct/Nov
10/9	Taiwan	U.S.	195,000	YC	128.69 @ 130.66	Dec/Jan
10/10	Taiwan	U.S.	114,000	YC	?	?
10/11	Taiwan	U.S.	45,000	YS	119.39	Nov
10/12	Taiwan	U.S.	111,000	YC	?	?
10/23	Taiwan	U.S.	190,000	YC	128.40 @ 131.00	Oct/Dec
10/24	Taiwan	U.S.	138,000	YC	?	?
10/11	USSR	U.S.	200,000	YC	?	?

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTIONS 1/
(OCTOBER/SEPTEMBER—MILLION TONS)

Monthly Shipments				
	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
July 19	3.0	2.7	.2	.4
Aug. 23	3.5	3.7	.7	.5
Sept 20	3.3	2.4	.5	.4
TOTAL FOR MY	48.0	47.1	5.7	6.4
	83/84	84/85	83/84	84/85
Oct 18	2.3	1.7	.3	.7
TOTAL FOR MY	2.3	1.7	.3	.7

Monthly Sales 2/				
	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
July 19	2.9	4.9	.4	.4
Aug. 23	6.8	8.0	.5	.5
Sept 20	4.8	3.5	.3	.5
TOTAL FOR MY	49.4	48.5	5.9	6.8
	83/84	84/85	83/84	84/85
Oct. 18	3.0	3.6	.6	.4
TOTAL FOR MY	19.1	18.8	1.7	1.9

Weekly and Annual Inspection Rates	CORN		Sorghum	
	MT	BU	MT	BU
Week Ending October 11..............	0.8	29.6	0.27	10.7
Week Ending October 18.............	0.8	30.1	0.13	5.3
Official Estimate for Current MY				
(Grain only).......................	53.5	2108	6.35	250
Implied Weekly Average............	1.0	40.5	.12	4.8
Latest Six Weeks				
Weekly Average.....................	0.7	29.0	0.22	8.6
Marketing Year-To-Date				
Weekly Average.....................	0.7	25.7	0.22	8.7
Weekly Avg. Extrapolated Annually..	33.9	1335	11.6	451
Balance of Year to Achieve Estimate				
Implied Weekly Average............	1.0	41.5	0.12	4.6

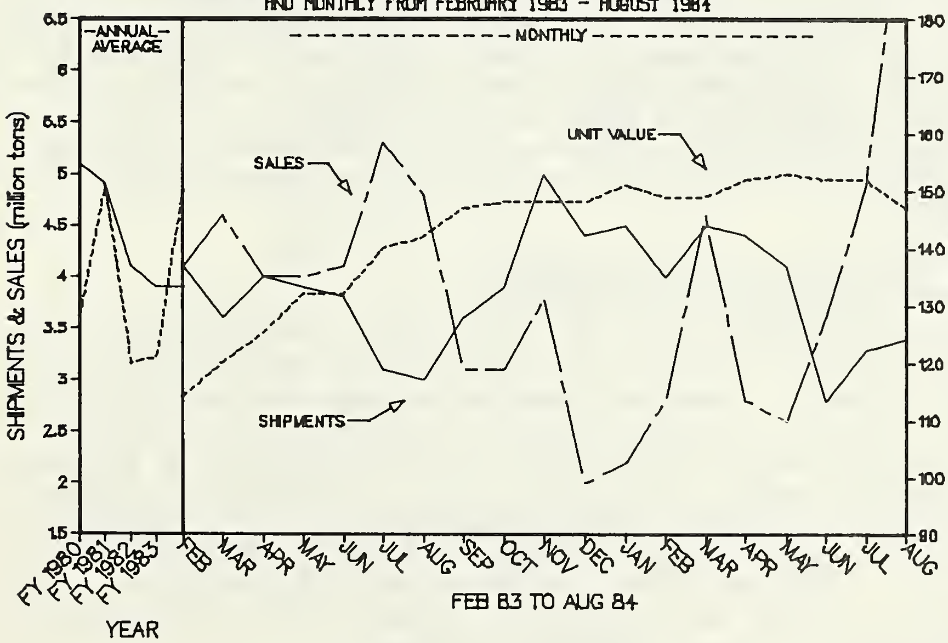
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.
Source: Export Sales; FGIS

CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER—MILLION TONS)

	SORGHUM		CORN					
	Argentina		Argentina		Thailand		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
July 19	.6	.6	1.1	.7	.1	.1	1.8	1.4
Aug. 23	.6	.2	.7	.5	.1	.1	1.4	.8
Sept 20	.2	.2	.5	.3	.3	.1	1.0	.6
TOTAL FOR SEASON	5.0	4.8	6.5	5.9	2.2	2.8	13.7	13.5
4 Weeks Ending	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
Oct. 18	.4	.2	.3	.2	.5	N/A	1.2	N/A
TOTAL FOR SEASON 2/	4.8	4.8	5.9	6.5	2.8	3.1	13.5	14.4

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1984/85.

U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM FEBRUARY 1983 - AUGUST 1984



MARKET OPPORTUNITIES

**Zambia: Prospects for U.S. commercial corn sales to Zambia in 1984/85 (Oct-Sept) are promising in light of limited supplies by traditional suppliers such as South Africa and Zimbabwe. Three years of drought have reduced Zambia's stocks and domestic consumption to minimum levels. Corn imports are projected for 1984/85 at 350,000 tons, an increase of about 25 percent over 1983/84 levels. This import projection reflects a minimum level, and could easily increase if Zambia is willing to make additional foreign exchange available for essential food commodities. Zambia is expected to purchase 60,000 tons of corn from Malawi and perhaps 20,000 tons from the United States under Title II of P.L. 480. The balance of Zambia's corn import needs until the May 1985 harvest will likely be made on commercial terms from the United States, Thailand, or Argentina.

**Taiwan: Strength in the growing swine and poultry sectors due to the strong economic recovery will mean continued strong demand for feed grains in general, and corn in particular during 1984/85 (Oct-Sept). Taiwan imported approximately 3.1 million tons of corn last year (mostly from the United States), and although total corn imports this year could be higher, the resumption of imports from Thailand will mean increased U.S. competition in 1984/85.

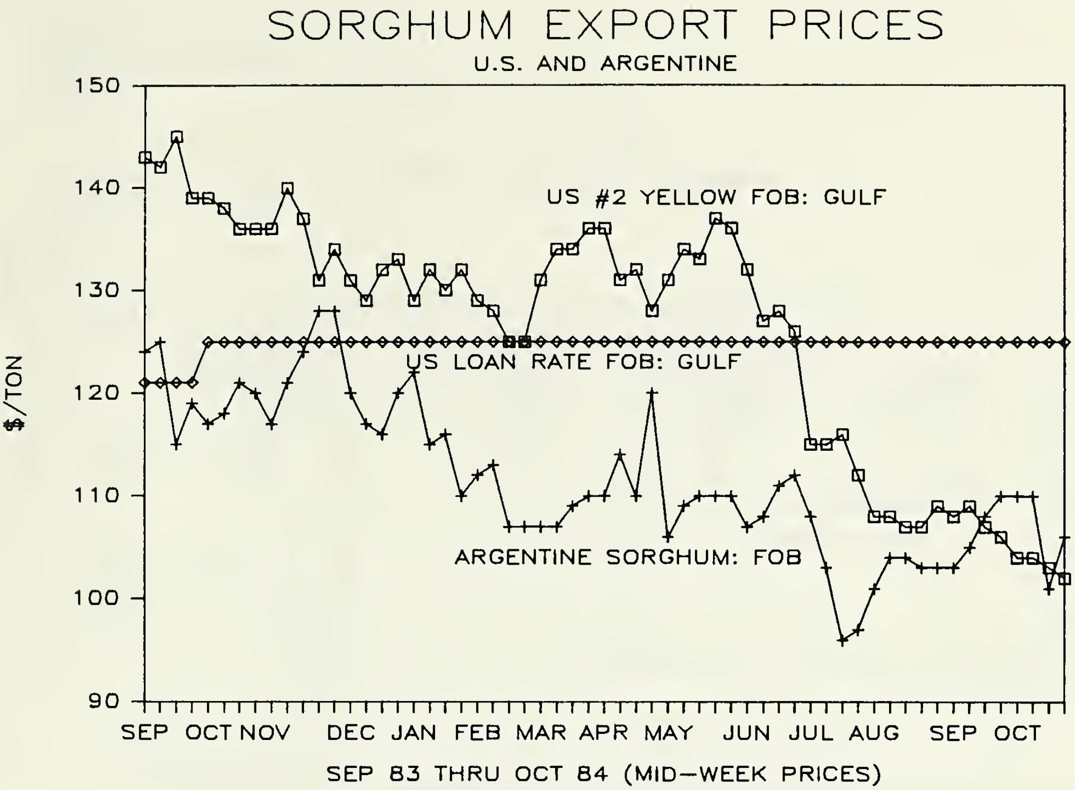
OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

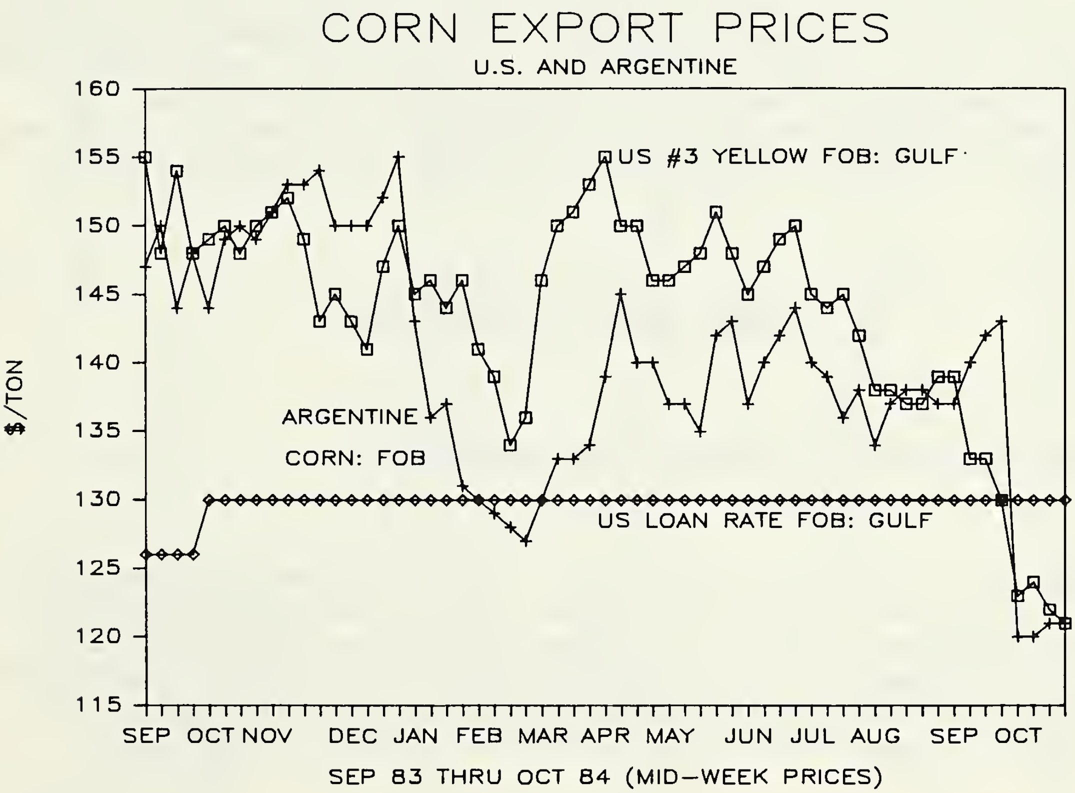
Competitive Developments in Selected Foreign Markets

**Taiwan: Earlier this month, Taiwanese officials responsible for corn imports lifted a two-year ban on shipments from Thailand. The ban resulted from high levels of aflatoxin found in corn from Thailand, but the team of grain specialists negotiated a resumption of corn trade between the two countries, which resulted in a sale of 49,000 tons to be delivered during October. This is Thailand's first significant sale to Taiwan since 1981/82 (Oct-Sept), before which they were traditional suppliers of about 200,000 tons per year. The team from Taiwan examined Thai corn and found aflatoxin levels to be substantially lower than in 1982, but will require that future sales specify a maximum permitted level. Taiwan has imported most of its corn requirements--about 3.0 million tons per year--from the United States during the last two years.

Internal Price Policies Of Foreign Countries

**Spain: Spain has announced that it will promote corn cultivation, which, if successful, could mean a reduction in import demand that will ultimately affect U.S. corn exports. Among the measures proposed are subsidies for the construction of storage and drying facilities, acquisition of related machinery, and irrigation of land with the stipulation that it be planted to corn for at least five years. In the long run, it is Spain's intent that additional area will be planted, thereby reducing the need for imported corn. However, the impact on production and imports will not be immediate since individual farmers' reactions to the incentives will largely depend on the relative prices of corn and competing crops. Spain is projected to import about 2.8 million tons of corn in 1984/85 (Oct-Sept).


SORGHUM EXPORT PRICES
U.S. AND ARGENTINE
US #2 YELLOW FOB: GULF
US LOAN RATE FOB: GULF
ARGENTINE SORGHUM: FOB
$/TON
150
140
130
120
110
100
90
SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT
SEP 83 THRU OCT 84 (MID-WEEK PRICES)


CORN EXPORT PRICES
U.S. AND ARGENTINE
US #3 YELLOW FOB: GULF
ARGENTINE
CORN: FOB
US LOAN RATE FOB: GULF
$/TON
160
155
150
145
140
135
130
125
120
115
SEP OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT
SEP 83 THRU OCT 84 (MID-WEEK PRICES)

BARLEY, OATS AND RYE

U.S. EXPORTS OF BARLEY, OATS AND RYE
JUNE/MAY--1,000 TONS

Grain	1982/83	1983/84 1/	1984/85 2/
Barley	1,028	2,000	1,525
Oats	43	29	43
Rye	5	25	25

1/ Estimated.
2/ Projected.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Competitive Developments in Selected Foreign Markets

**EC: In just the first 3 1/2 months of the 1984/85 marketing year, the EC has already authorized for export the same amount of barley that was shipped during the entire 1983/84 marketing year. Export authorizations now total 2.9 million tons compared to only 465,000 tons authorized as of mid-October last year. The Community is presently estimating the 1984 barley harvest at a record 43 million tons, some 20 percent higher than last year's poor harvest, and is trying to alleviate domestic price pressures by expanding exports.

BEANS, PEAS, AND LENTILS

Competitive Developments In Selected Foreign Markets

**Brazil: An October 1 dry edible bean tender for 29,500 tons was awarded to U.S. suppliers for delivery next month. This is the first significant Brazilian purchase of beans from the United States since 1981/82 (Sept-Aug), and the sale represents over 10 percent of total U.S. dry edible bean exports last year, which were approximately 220,000 tons. U.S. bean exports in 1984/85 could increase over those in 1983/84 as a result of this sale.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

	U.S.		CANADA		FRANCE 2/		U.K. 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
July 19	*	*	.4	.3	.1	*	*	*	.5	.3
August 23	*	.1	.6	.3	.1	N/A	.1	N/A	.8	N/A
September 20	*	*	.9	.2	*	N/A	*	N/A	*	N/A
October 18	.3	.2	.5	N/A	.1	*	N/A	.9	.9	N/A
Total for Season	1.0	2.0	6.2	4.3	1.1	1.0	1.4	1.4	9.7	8.7
4 Weeks Ending	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
October 18	.3	.2	.5	N/A	.1	N/A	*	N/A	.9	N/A
Total for Season 3/	2.0	2.2	4.3	3.0	1.0	2.5	1.4	2.5	8.7	9.2

1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1984/85.
N/A Not available.
* Less than 50,000 tons.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

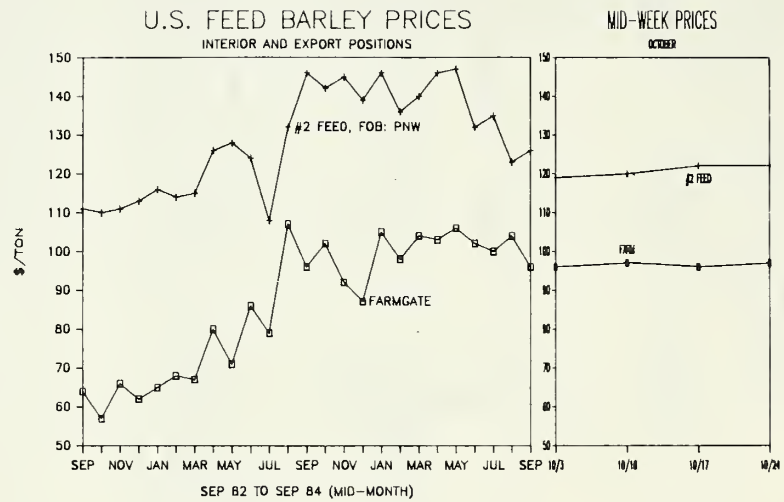
Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 10/18/84 1/	1984/85 Committed as of 10/18/84 1/
EC	301	112	360	213	116
Other W. Europe	472	226	441	181	373
Eastern Europe	111	--	126	34	--
Taiwan	373	146	223	209	177
Japan	336	119	372	278	290
Canada	128	--	--	--	--
Others	546	317	509	378	505
Total	2,267	920	2,033	1,293	1,461

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. OATS EXPORTS BY OESTINATION
(JUNE/MAY--1,000 TONS)

Oestination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 10/18/84 1/	1984/85 Committed as of 10/18/84 1/
EC	4	--	5	15	--
Canada	1	--	--	--	--
Mexico	16	--	--	--	--
Venezuela	10	1	3	2	1
Others	87	3	1	15	--
Total	118	4	9	32	1

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.



U.S. RYE EXPORTS BY OESTINATION
(JUNE/MAY--1,000 TONS)

Destination	1981/82	1982/83	1983/84 Total Exports	1983/84 Committed as of 9/20/83 1/	1984/85 Committed as of 10/18/84 1/
EC	1	--	3	--	--
Other W. Europe	13	--	--	--	--
Canada	15	--	--	--	--
Others	9	--	20	20	--
Total	38	--	23	20	--

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES 1/

Export Forecast. The forecast for U.S. exports in 1984/85 (August/July) remains unchanged from last month at 2.2 million tons.

Shipments. U.S. rice exports during the 4-week period ending October 18 totaled 167,700, down sharply from the previous 4-week total of 231,200 tons. Major destinations included Iraq and Saudi Arabia. Cumulative shipments for the 1984/85 marketing year through October 18 totaled 528,700 tons, about 11 percent below the level of shipments during the same period one year ago.

Sales. For the 4-week period ending October 18, new sales registrations for 1984/85 delivery totaled 58,700 tons, sharply below the level of new sales registered in the previous 4-week period. Commitments for the current marketing year now total 892,100 tons, compared to the 1.08 million tons sold by this date one year ago.

IMPORTER BUYING ACTIVITY

Buying activity picked up this month, especially for high quality rice, as Iran, Malaysia, and Singapore made large purchases of Thai 100% B and Iraq purchased a smaller quantity of U.S. #2/4% long grain rice. Purchases of low quality rice were somewhat weaker, although the Ivory Coast, the Philippines, Senegal and Vietnam made significant purchases.

ESTIMATED RICE IMPORT COMMITMENTS FOR SELECTED COUNTRIES
(CALENDAR 1984--1,000 TONS)

Buyer	U.S.	Thailand	Pakistan	Burma	Other	Total Committed *	Forecast Imports
India	10	285	--	425	--	720	800
Indonesia	54	125	15	65	365	625	500
Iran	--	485	145	--	145	775	680
Iraq	490	45	--	--	--	535	500
Nigeria	25	455	180	--	--	660	650

* Discrepancies due to rounding.

1/ Shipments and sales data are on a product basis.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1981/82-1983/84, AND AUGUST 1 THROUGH OCTOBER 20 for 1984/85
(AUGUST/JULY—1,000 TONS)

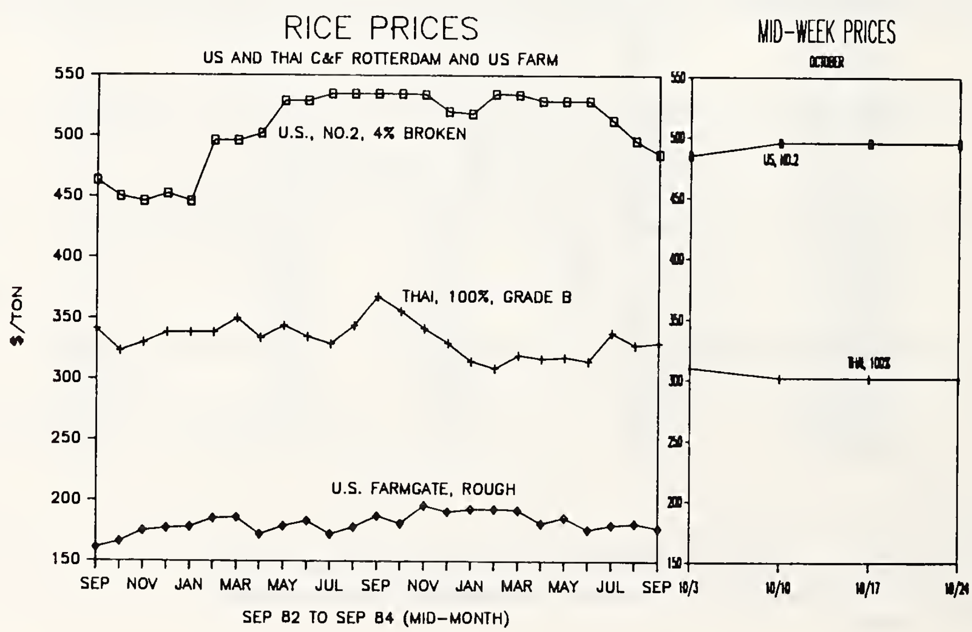
Destination	Marketing Year	Long Grain Milled	Long Grain Brown 2/	Other 1/ Milled	Other 1/ Brown 2/	Total Exports
EC 10	1981/82	2	310	56	192	560
	1982/83	1	214	15	—	230
	1983/84	29	192	2	70	293
	1984/85	10	112	5	28	154
Other W. Europe	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	23	35	3	138	199
	1984/85	16	8	2	20	46
E. Europe & USSR	1981/82	*	—	*	—	*
	1982/83	*	—	*	—	*
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	—
Iran	1981/82	85	—	—	—	85
	1982/83	—	—	—	—	—
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	—
Iraq	1981/82	270	—	*	—	270
	1982/83	327	—	*	—	327
	1983/84	230	—	2	—	232
	1984/85	245	—	1	—	246
Saudi Arabia	1981/82	250	—	15	—	265
	1982/83	267	—	2	—	269
	1983/84	253	—	6	—	253
	1984/85	92	—	1	—	92
Other Middle East	1981/82	106	8	17	3	135
	1982/83	48	—	2	—	50
	1983/84	40	—	12	—	52
	1984/85	13	—	1	—	14
Republic of Korea	1981/82	—	—	*	339	339
	1982/83	—	—	*	213	213
	1983/84	—	—	*	112	112
	1984/85	—	—	—	—	—
Other Asia & Oceania	1981/82	4	—	38	—	43
	1982/83	2	—	129	—	132
	1983/84	3	—	140	—	143
	1984/85	4	—	16	—	18
Nigeria	1981/82	347	—	—	—	347
	1982/83	159	—	—	—	159
	1983/84	63	—	—	—	63
	1984/85	*	—	—	—	*
Other Africa	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	95	150	136	—	381
	1984/85	96	18	57	—	171
W. Hemisphere	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	156	24	109	14	303
	1984/85	70	15	5	10	100
Total 3/	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	900	401	408	338	2,043
	1984/85	558	153	87	94	892

* Less than 500 tons.
1/ Includes medium, short, and mixed.
2/ Data not converted to a milled equivalency. Includes rough rice.
3/ Discrepancies due to rounding and changes to unknown destinations.
SOURCE: U.S. Export Sales

RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN SEPTEMBER 29 AND OCTOBER 24, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price $/MT 2/	Delivery Period	Date of Report
Cameroon	Thailand	10.0	5%	235	Oct	09/25
Iran	Thailand	105.0	100% B	250-255	Oct/Dec	10/15
Iraq	U.S.	12.5	#2/4% LG	425 3/	Jan	10/22
		12.5	#2/4% LG	433 3/	Jan	10/22
Ivory Coast	Thailand	40.0	35%	244 3/	Nov/Jan	10/15
Malaysia	Thailand	94.0	100% B	250	Nov/Jan	10/19
		30.0	10%	235-237	Nov Jan	10/19
Mexico	Thailand	20.0	20%	259 3/	Nov	10/15
Philippines	Taiwan	30.0	35%	247 3/	Oct/Nov	10/11
Senegal	Thailand	66.0	A-1 Spec	228 3/	Nov/Dec	10/19
Singapore	Thailand	15.0	100% B	236	Dec/Mar	10/19
		4.5	100% B	N/A	N/A	09/28
Syria	Thailand	12.0	100% C	269	Oct	09/25
		1.0	35%	N/A	N/A	10/15
Vietnam	Thailand	20.0	A-1 S	220	Oct	10/15
		10.0	A-1 S	215	N/A	10/15
N/A	Pakistan	15.0	40/45%	217	N/A	10/19
		20.0	15/20%	221	N/A	10/19

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B/ = Brown, F = Fragrant, L/Bld = Long, Boiled, F/Bld = Full Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ C&F
4/ Stowed
N/A Not available.



**Iran: The General Trading Corporation (GTC) purchased 105,000 tons of Thai 100% B last month, bringing total import commitments for 1984 delivery to an estimated 775,000 tons. Iran has now purchased an estimated 485,000 tons of rice from Thailand this year, second only to Malaysia. In CY 1983, Iran was the second largest importer of Thai rice, following only Nigeria in importance as an importer of Thai rice.

**Iraq: With a new FY 1985 allocation of $165 million in GSM-102 export credit guarantees for rice purchases, the State Grain Trading Establishment tendered in October for 87,500 tons of U.S. #2/4 percent long grain rice. However, Iraq purchased only 25,000 tons--all for delivery in CY 1985. Iraq is projected to import a total 500,000 tons of rice in CY 1984, with imports from the United States expected to reach 450,000 tons. Imports in 1985 are forecast to remain at similar levels.

**Mexico: In the October 10 tender, CONASUPO purchased 20,000 tons of Thai rice for delivery in the last half of November. With this purchase, Mexico has bought an estimated 185,000 of rice for delivery in CY 1984. Rice production in Mexico has dropped each year since 1981/82, as irrigated riceland has been shifted to the production of other crops such as soybeans and edible beans. This shift has resulted in both a reduction in area planted and a decline in overall yields as a growing proportion of rice production comes from rain-fed fields. With production projected to decline further in 1984/85, rice imports could reach an even higher level in CY 1985.

MARKET OPPORTUNITIES

**North Yemen: A re-tender is expected in November for 8,000 tons of U.S. #2/4% long grain or equivalent, after Yemen rejected all offers in the October 13 tender.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Despite an increase in new Thai sales last month, the Thai Board of Trade (BOT) posted price for 100% B remained at $260 per ton, while the posted price for parboiled 5% fell to $247 per ton. Actual prices are reported to be $235-240 per ton for 100% B and $232-235 per ton for parboiled 5%, which probably reflects buyers' anticipation of the availability of new crop rice.

**Thailand: Exports began to slow again during the past month, reflecting the lack of new sales made during September. Total exports through October 13 were 3.7 million tons, nearly one-third higher than the level of exports for the same period one year ago.

WEEKLY THAI RICE EXPORTS

Week Ending	Actual	4-Week Moving Avg.
September 22	107,836	97,916
September 29	91,032	95,966
October 11	64,749	87,750
October 13	53,735	79,338

New sales activity picked up during the past month with large sales to Iran, Malaysia, and Senegal. Total export commitments for CY 1984 are estimated at 4.7 million tons, while actual exports are expected to reach 4.25 million tons.

RECENT THAI RICE SALES

Destination	Quantity (1,000 MT) Current	Est. Cumulative 1/	Quality 2/	Price $/MT 3/	Delivery	Date of Report
Bangladesh	5.0	444.5	P 20%	230	N/A	10/19
Cameroon	10.0	73.9	5%	235	Oct	09/25
Ghana 5/	1.5	1.6	35%	N/A	N/A	10/15
Guinea 5/	5.7	5.7	25%	N/A	Oct/Nov	09/25
Indonesia	2.5	124.5	GL 10%	200	Oct	09/25
Iran	105.0	485.8	100% B	250-255	Oct/Dec	10/15
Italy	1.5	91.3	B/100% B	N/A	N/A	09/25
Ivory Coast	40.0	98.8	35%	244 4/	Nov/Jan	10/15
Kenya	1.1	1.4	35%	N/A	N/A	09/28
Malaysia	94.0		100% B	250	Nov/Jan	10/19
	30.0	545.0	10%	235-237	Nov/Jan	10/19
Mali	1.5	2.6	35%	N/A	N/A	10/15
Mexico	20.0	115.8	20%	259 4/	Nov	10/15
Reunion	6.0	6.5	B/5%	197	Nov	10/19
Saudi Arabia	1.0	58.5	P100%	N/A	N/A	09/28
Singapore	15.0		100% B	236	Dec/Mar	10/19
	4.5	147.5	100% B	N/A	N/A	09/28
Sudan	5.0		10%	230	N/A	10/19
	3.0		10%	N/A	N/A	09/28
	1.0	9.0	35%	N/A	N/A	10/15
Syria	12.0		100% C	269	Oct	10/15
	1.0	132.0	35%	N/A	N/A	10/15
Vietnam	20.0		A-1 S	220	Oct	10/15
	10.0	226.9	A-1 S	215	N/A	10/5
Yemen, South	1.4	34.4	P 10%	N/A	Oct/Nov	09/25
West Africa/ Nigeria	6.5	72.5	P 5%	240	Oct	Various

1/ For all qualities for 1984 delivery.
2/ P=Parboiled, B/5% = Brown rice 5% brokens, etc., F=Fragrant
3/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
4/ C&F
5/ Japanese Aid
N/A = not available

**Pakistan: In the October 4 tender, the Rice Export Corporation of Pakistan (RECP) sold 15,000 tons of 40/45% broken rice and 20,000 tons of 15/20% broken. Export commitments for delivery in 1984 are estimated at nearly 1.2 million tons. Actual exports through September totaled nearly 850,000 tons, with total exports for CY 1984 projected at 1.2 million tons.

**Burma: MEIC, the government export monopoly, apparently has about 50,000 tons of 25/35% broken rice from the 1983/84 crop to sell, but no new sales were reported in the last month. Export commitments for delivery in CY 1984 currently stand at an estimated 915,000 tons, against projected total exports of 850,000 tons.

U.S. EXPORT EXPANSION ACTIVITIES

**GSM-102: During the past month, Iraq received a FY 1985 credit guarantee allocation of $165.0 million for rice and purchased 25,000 tons of U.S. #2/4% long grain rice in October.

**PL-480: Initial allocations for the FY 1985 PL-480 Title I/III programs were announced in October, and Bangladesh was the first country to sign a new agreement. The following table lists the preliminary allocations by country.

INITIAL PL-480 TITLE I/III ALLOCATIONS
FOR RICE IN FY 1985

Country	Allocation $Million	Country	Allocation $Million
Bangladesh	20.0	Mauritius	1.5
Ghana	2.0	Mozambique	2.0
Guinea	6.0	Senegal	4.0
Jamaica	6.0	Sierra Leone	2.0
Kenya	3.0	Somalia	7.0
Liberia	16.0	Yemen	3.0
Madagascar	9.0	Zambia	1.5
Maldives	0.6		
		Total	83.4

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250, Tel. (202) 447-2009.

U.S. WHEAT PROGRAMS

	1983 Program Equivalent: Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent: Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent: Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Trigger Release Price	$200	$4.45	--	-- 2/	--	--
Target Price	$195	$4.30	$198	$4.38	$198	$4.38
Loan (Reserve)	$171	$3.65	--	--	--	--
National Loan	$171	$3.65	$158	$3.30	$158	$3.30
Season Average Producer Price	$167	$3.54	$158-167	$3.30-3.55 3/	--	--
Current Farm Price	--	--	$163	$3.44 3/	--	--
Paid Diversion	$136	$2.70	$136	$2.70	$136	$2.70

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of October 25, 1984.

U.S. CORN PROGRAMS

	1983 Program Equivalent Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Season Average Producer Price	$159	$3.25	$136-$148	$2.65-$2.95	--	--
Trigger Release Price	$159	$3.25	--	-- 2/	--	--
Current Farm Price	--	--	$137	$2.69	--	--
Target Price	$144	$2.86	$151	$3.03	$151	$3.03
National Loan	$136	$2.65	$132	$2.55	$132	$2.55
Loan (Reserve)	$136	$2.65	$132	$2.55	--	--
Paid Diversion	$91	$1.50	--	--	--	--

1/ Estimated equivalent, adjust from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of October 25, 1984.

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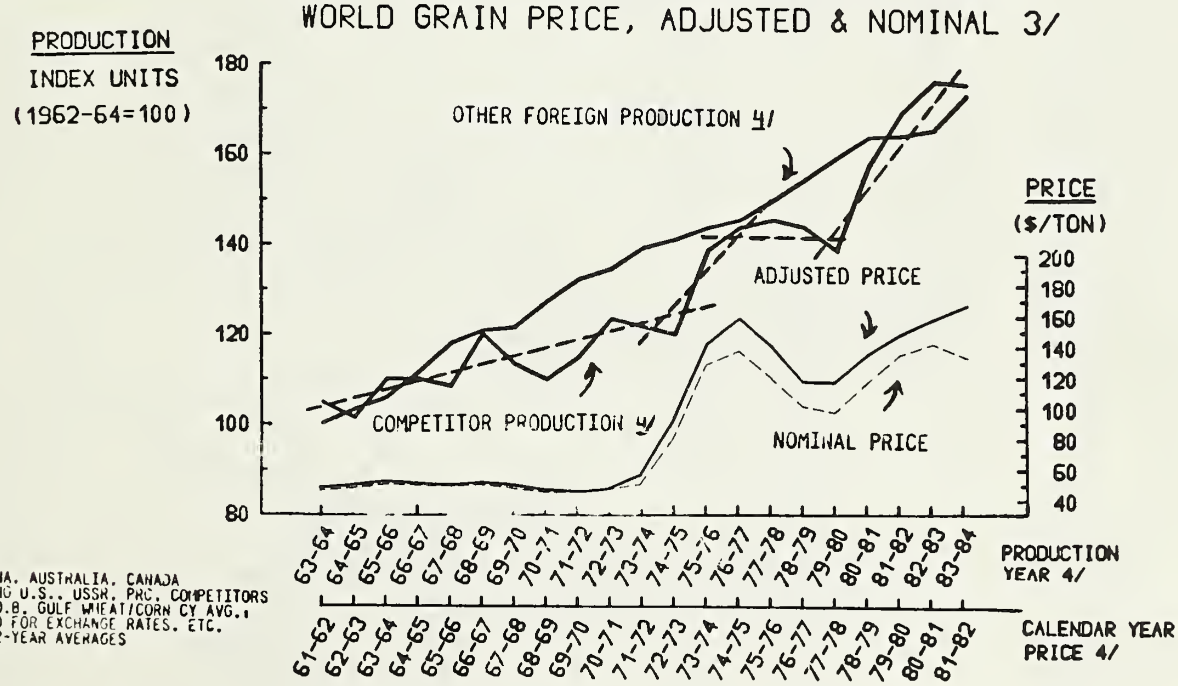
EMG-11-84
NOVEMBER 1984

EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES

In assessing export prospects, one topic of frequent interest is the medium and longer-term effect of price, including support levels, upon the volume of U.S. grain exports. Although much research has been done on "price elasticity" for both domestic production and domestic utilization, comparatively little is available concerning price-elasticity for U.S. exports. It is commonly believed that significant changes in the world price situation, particularly if sustained for a period of years, can significantly affect production, especially in exporting countries. However, significant changes in world price may also affect usage, both for food in developing countries and for animal feed in higher income countries.

This month's cover graphs show several aspects of the historical relationship between U.S. export prices (which closely parallel world prices) and two major determinants of U.S. exports, i.e. foreign utilization, and production in other exporting countries. Although these graphs themselves do not suffice to show the impact of sustained price changes upon foreign production and foreign consumption (and hence upon U.S. exports), they strongly suggest that a cause-effect relationship exists within a 2-3 year time-frame, and the likelihood is that for price changes that are more sustained, or appear to be more permanent, the impact would be even greater. Though these impacts globally appear small in percentage terms, they nevertheless can amount to many millions of tons.

COMPETITOR 1/ GRAIN PRODUCTION INDEXED
OTHER FOREIGN 2/ GRAIN PRODUCTION INDEXED
WORLD GRAIN PRICE, ADJUSTED & NOMINAL 3/

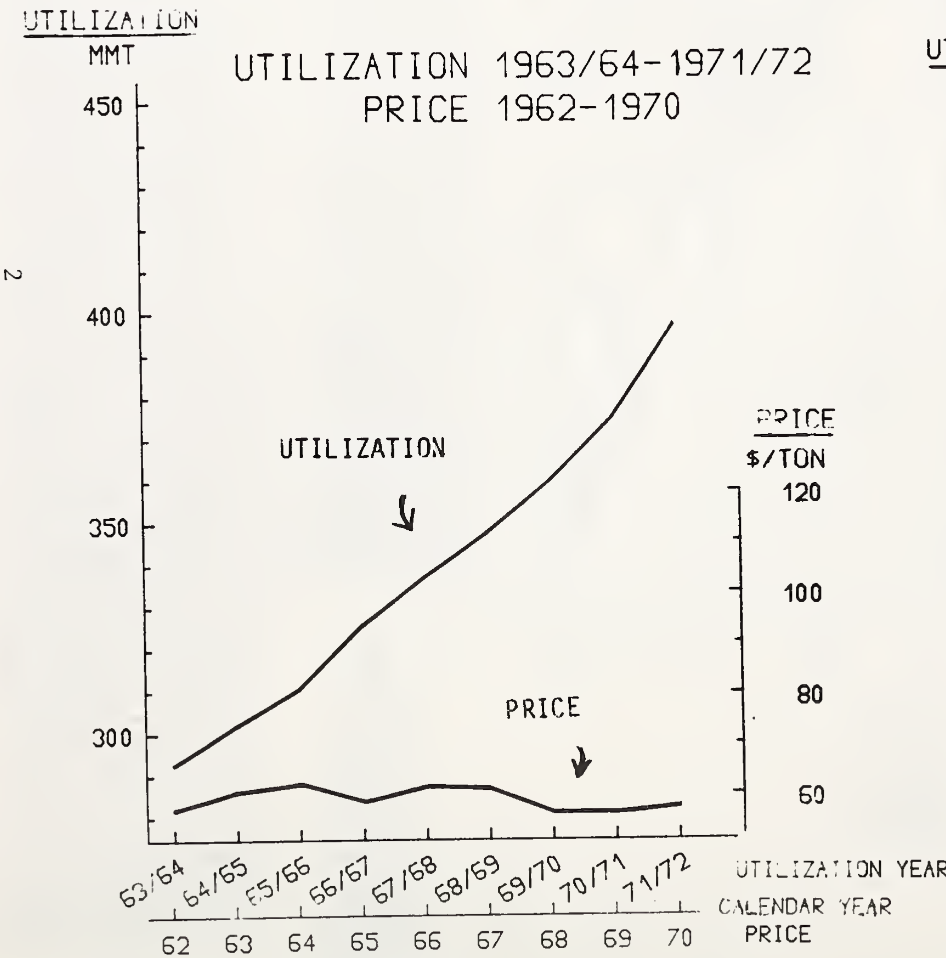


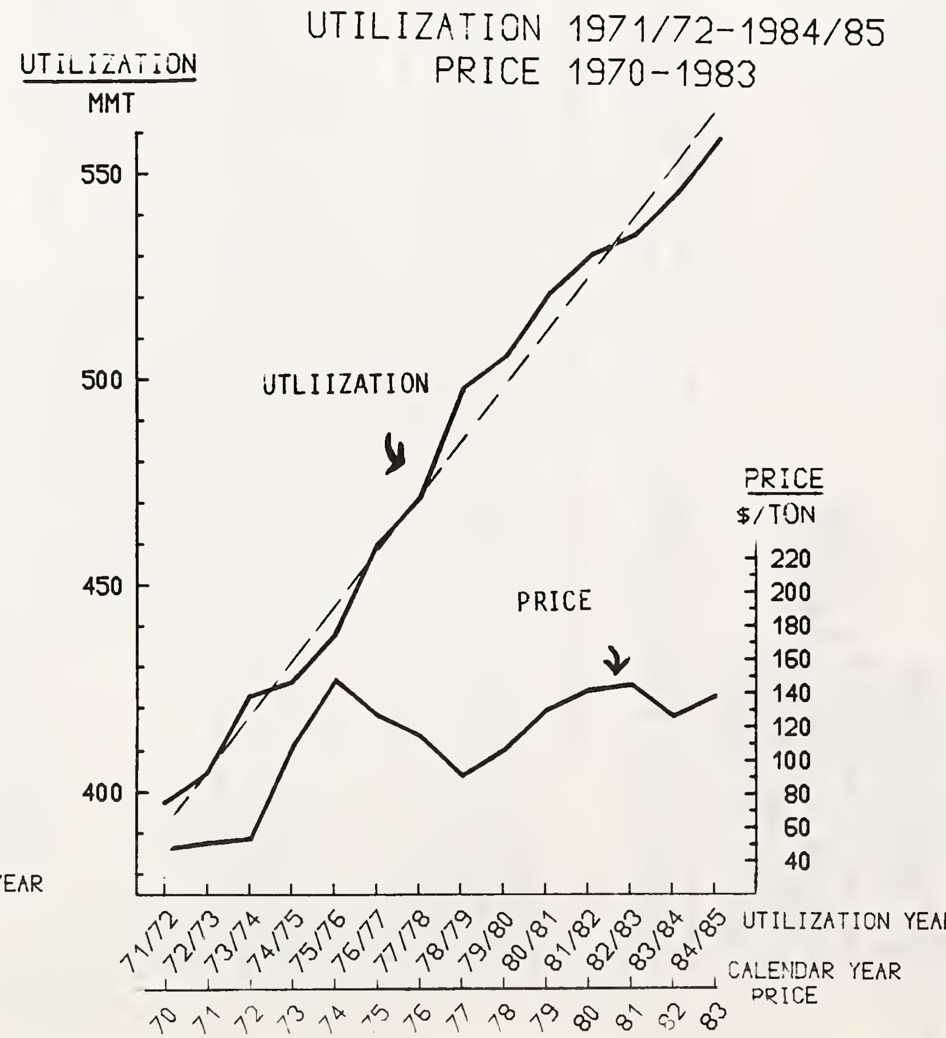
1/ ARGENTINA, AUSTRALIA, CANADA
2/ EXCLUDING U.S., USSR, PRC, COMPETITORS
3/ U.S. F.O.B. GULF WHEAT/CORN CY AVG., ADJUSTED FOR EXCHANGE RATES, ETC.
4/ MOVING 2-YEAR AVERAGES

The production/price graph shows several distinct phases: (1) slightly declining price during 1962-1971, when production in other export countries rose at about 2 percent per year, (2) strong price incentive conditions during 1972-1974 and again in 1978-1981, when for both periods output subsequently rose at roughly 8 or 9 percent per year, and (3) sharply declining prices between 1975 and 1977, when output subsequently stopped increasing entirely. The graph also shows a significant contrast between the production-price relationship for competing exporting countries, where production would be expected to respond to world price, as opposed to other foreign countries, which are insulated from world price and where production seems entirely unresponsive to world price. With competing-export-country production presently at about 100 MMT, these differences suggest that, from this one source alone, future impact on U.S. export volume from a significant sustained change in world price level could be as much as 10-15 MMT by the second or third year, and possibly more, depending upon the size of the price change and whether it appears likely to continue somewhat longer.

The price/utilization graph, where utilization is for all foreign countries except the USSR and China (for whom yearly utilization data are much less complete) and the EC, shows no discernable price impact for the period before 1972, but several phases of significant price response for more recent years. In this case, the yearly utilization growth-rate is only about 2.0 to 2.5 percent for the 1972-74 and 1978-81 periods when price was rising, but about 3.5 to 4.0 percent for 1975-77 when price was declining. With current utilization among these countries at about 500 MMT, these differences in response suggest that, from this one source alone, future impact on U.S. export volume from a significant sustained change in world price level could easily be as much as 10 to 20 MMT over a 2 or 3 year period, similar to the impact indicated by the production-response for other exporting countries. Again the response would depend upon the extent of the price change and how long it appears likely to last. In this instance, the appearance of any price response for the utilization side at all suggests that import-country governments' policies on prices-to-consumers and import dependency are themselves somewhat responsive to changes in world price, following some lag period.

TOTAL OTHER FOREIGN 1/ GRAIN UTILIZATION
AND NOMINAL 2/ WORLD GRAIN PRICE





1/ EXCLUDING U.S., USSR, PRC, EC
2/ U.S. FOB GULF WHEAT/CORN CY AVG.

COMPETITOR GRAIN PRODUCTION INDEXED
OTHER FOREIGN GRAIN PRODUCTION INDEXED
WORLD GRAIN PRICE, ADJUSTED & NOMINAL
(2-year moving averages)

Production Data					:	Price Data		
Production Years	Competitor 1/ Production	Indexed 2/ Production	Other Foreign 3/ Production	Indexed 2/ Production	:	Calendar Years	Nominal 4/ Calendar Year Price	Adjusted 5/ Calendar Year Price
	(mmt)		(mmt)				($ /ton)	($ /ton)
63 & 64	62	105	308	100	:	61 & 62	56 6/	58 6/
64 & 65	60	102	318	103	:	62 & 63	58	60
65 & 66	65	110	326	106	:	63 & 64	60	62
66 & 67	65	110	343	112	:	64 & 65	59	61
67 & 68	64	108	363	118	:	65 & 66	59	60
68 & 69	71	120	372	121	:	66 & 67	60	62
69 & 70	67	113	374	122	:	67 & 68	58	60
70 & 71	65	110	392	127	:	68 & 69	55	57
71 & 72	68	115	407	132	:	69 & 70	56	56
72 & 73	73	124	414	135	:	70 & 71	58	58
73 & 74	72	122	429	139	:	71 & 72	61	67
74 & 75	71	120	435	141	:	72 & 73	90	102
75 & 76	82	139	443	144	:	73 & 74	137	150
76 & 77	85	144	448	145	:	74 & 75	146	167
77 & 78	86	146	461	150	:	75 & 76	129	149
78 & 79	85	144	475	154	:	76 & 77	112	127
79 & 80	82	139	490	159	:	77 & 78	108	127
80 & 81	93	157	504	164	:	78 & 79	127	145
81 & 82	100	169	505	164	:	79 & 80	145	158
82 & 83	104	176	510	166	:	80 & 81	153	168
83 & 84	103	174	533	173	:	81 & 82	145	177
					:	82 & 83	141	184

Years preceded by period of slightly declining world prices

	% increase in production from previous period	
64 & 65	-3.2	
65 & 66	8.3	
66 & 67	0	
67 & 68	-1.5	
68 & 69	10.9	
69 & 70	-5.6	
70 & 71	-3.0	
71 & 72	4.6	
72 & 73	7.4	
Average yearly increase		2.0

Years preceded by period of sharply rising world prices

	% increase in production from previous period	
75 & 76	15.5	
76 & 77	3.7	
80 & 81	13.4	
81 & 82	7.5	
82 & 83	4.0	
Average yearly increase		8.8

Years preceded by period of sharply declining world prices

	% increase in production from previous period	
77 & 78	1.2	
78 & 79	-1.2	
79 & 80	-3.5	
Average yearly increase		-1.2

1/ Argentina, Australia, Canada
2/ (1962+63+64)/3=100
3/ Excluding U.S., USSR, PRC, Competitors
4/ U.S. FOB Gulf wheat/corn average
5/ Adjusted for exchange rates, wholesale price index, share of competitor exports etc... and weighted to reflect wheat/corn proportion of world grain trade.
6/ Partial period

TOTAL OTHER FOREIGN GRAIN UTILIZATION
AND NOMINAL WORLD GRAIN PRICE
(annual)

Utilization Data		Price Data	
Marketing Year (aggregate)	Other Foreign 1/	Calendar Year	Nominal Price 2/
	(mmt)		($ /ton)
63/64	293	62	56
64/65	302	63	60
65/66	311	64	61
66/67	326	65	58
67/68	337	66	61
68/69	348	67	60
69/70	360	68	55
70/71	375	69	55
71/72	397	70	57
72/73	405	71	60
73/74	424	72	63
74/75	427	73	118
75/76	439	74	157
76/77	461	75	135
77/78	472	76	123
78/79	499	77	100
79/80	507	78	116
80/81	522	79	139
81/82	532	80	151
82/83	537	81	154
83/84	547	82	135
84/85	560	83	147

Years preceded by period of sharply rising world prices

	% increase in consumption from previous year	
74/75	0.7	
75/76	2.8	
79/80	1.6	
80/81	3.0	
81/82	1.9	
82/83	0.9	
Average yearly increase		1.8

Years preceded by period of declining world prices

	% increase in consumption from previous year.	
69/70	3.4	
70/71	4.2	
71/72	5.9	
76/77	5.0	
77/78	2.4	
78/79	5.7	
Average yearly increase		4.4

1/ Excluding U.S., USSR, PRC, EC
2/ U.S. FOB Gulf wheat/corn average

EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES
November 30, 1984

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HIGHLIGHTS

The U.S. wheat export forecast was lowered this month as a result of increased competition from other exporters, but world import demand remains strong due to smaller harvests in several major importing countries. The U.S. coarse grain export forecast is also down this month, due to smaller than expected demand for corn from the European Community and South Africa, and continued reports of good coarse grain harvests in both East and West Europe. The rice export forecast was revised downward, as a result of the continued absence of the Republic of Korea and Nigeria from the U.S. market, which along with a devaluation of the Thai baht, makes U.S. rice even less price competitive on the world market.

Major developments affecting U.S. exports over the past month include:

--Brazil will need record imports of wheat to make up for a short crop, creating an opportunity for the U.S., but Argentina has become a major competitor for this market.

--Bangladesh will import more wheat and rice due to recent flooding, some of which will come from the U.S.

--Australia sold significant quantities of wheat to Pakistan through a barter arrangement with European traders.

--Colombia announced that agricultural import levels for the coming year will be frozen at 1984's levels, which could adversely affect U.S. wheat exports.

--Kuwait purchased U.S. white wheat, the first Gulf State country to do so in several years.

--Italian imports of U.S. corn could be higher in 1984/85, due to poor crop quality and major delays in harvesting.

--Israel is substituting tapioca for higher-priced coarse grains in feed rations, which would affect U.S. exports of corn and grain sorghum.

--Spain's record total grain production could limit imports of corn from the United States, if more domestically grown grain is used for feed.

--Poland is exporting a larger volume of rye than was earlier anticipated, and could cut back on wheat and coarse grain imports due to a good overall grain crop.

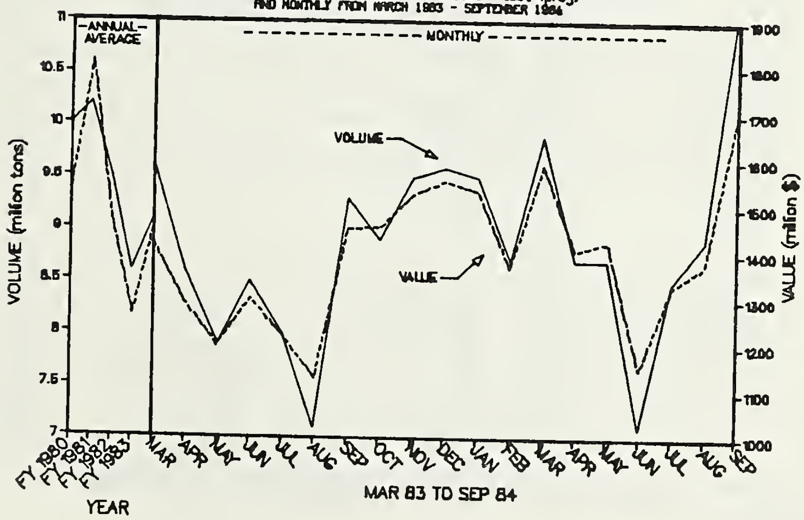
--Turkey's lentil production is down, and Turkey's traditional customers could look to the United States for supplies.

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1984 AND COMPARISON WITH PRECEEDING YEAR

	SEPTEMBER		CUMULATIVE OCT THRU SEPT	
	FY 83	FY 84	FY 83	FY 84
WHEAT (grain only)				
Quantity (1000 tons)	3,245	6,605	36,699	41,700
Value Per Ton (dollars)	161	151	161	156
Value (in million dollars)	523	997	5,910	6,502
CORN (grain only)				
Quantity (1000 tons)	3,611	2,734	47,105	47,001
Value Per Ton (dollars)	147	141	121	149
Value (in million dollars)	531	387	5,717	7,022
SORGHUM (grain only)				
Quantity (1000 tons)	627	678	5,403	6,226
Value Per Ton (dollars)	138	112	122	133
Value (in million dollars)	86	76	661	829
BARLEY, OATS, AND RYE (grain only)				
Quantity (1000 tons)	328	375	973	2,074
Value Per Ton (dollars)	131	114	121	133
Value (in million dollars)	43	43	118	277
TOTAL COARSE GRAINS (grain only)				
Quantity (1000 tons)	4,566	3,787	53,481	55,301
Value Per Ton (dollars)	145	134	121	147
Value (in million dollars)	660	506	6,496	8,128
RICE (grain only)				
Quantity (1000 tons)	282	260	2,209	2,212
Value Per Ton	362	373	396	405
Value (in million dollars)	102	97	874	897
PULSES				
Quantity (1000 tons)	31	28	457	390
Value Per Ton (dollars)	504	405	415	451
Value (in million dollars)	16	11	190	176
FLOUR AND OTHER GRAIN PRODUCTS				
Quantity (1000 tons-gr. equiv)	523	133	3,499	2,642
Value Per Ton (dollars)	92	255	165	214
Value (in million dollars)	48	34	580	565
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS				
Quantity (1000 tons)	606	411	6,991	6,845
Value Per Ton (dollars)	171	158	164	170
Value (in million dollars)	103	65	1,145	1,165
TOTAL VOLUME (in thousand tons)	9,252	11,225	103,337	109,089
TOTAL VALUE (in million dollars)	1,452	1,710	15,194	17,432

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM MARCH 1983 - SEPTEMBER 1984



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. The estimate of U.S. wheat exports for June-May 1984/85 has been reduced by 1.4 million tons to 41.5 million tons. This reflects not only a recent slowdown in U.S. sales, but expected increased competition from other exporters such as India and Argentina.

Shipments and Sales. Shipments of U.S. wheat for the week ending November 22 showed a 25 percent decline from the previous three week average. The main reason was that shipments to the Soviet Union slowed from the exceptional rate of previous weeks. Cumulative shipments of wheat are still well ahead of last year's pace. New sales activity was also slow, and the 2.4 million tons reported was the lowest level since the start of the 1984/85 marketing year.

IMPORTER BUYING ACTIVITY

Buying activity over the past month was moderate. Brazil was active in the market place with purchases from the United States, Argentina, and the European Community, and Korea continued its feed wheat purchases from Australia. Bangladesh added to early purchases of U.S. wheat, and Sri Lanka returned to the U.S. market for hard red winter and white wheat.

WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN OCTOBER 25, 1984 AND NOVEMBER 28, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
11/15	Bangladesh	U.S.	142,716	# 2	138.16 @ 139.95	Nov
10/31	Brazil	U.S.	99,000	HRW 11%	158.78 @ 159.45	Feb-March
10/31	Brazil	Argentina	100,000	?	133.75 @ 133.75	Jan-March
11/8	Brazil	U.S.	66,000	HRW 11%	159.43 @ 159.57	March
11/8	Brazil	Argentina	50,000	PC	135.25 @ 136.43	Feb-March
11/8	Brazil	EC	50,000	Soft Wheat	143.50 @ 143.75	March
11/15	Brazil	U.S.	33,000	HRW	155.95	March
11/15	Brazil	Argentina	65,000	PC	133.49 @ 135.00	Feb-March
11/21	Brazil	U.S.	132,000	HRW 11%	156.10 @ 156.44	March-April
11/13	Egypt	EC	10,000	flour	204.50 C&F	Dec
10/31	Japan	U.S.	83,800	WW,HRW,HRS	?	Dec
11/8	Japan	U.S.	36,347	HRW,HRS	?	Jan
11/8	Japan	Canada	54,947	CWRS	?	Jan
11/8	Japan	Australia	32,500	ASW	?	Jan
11/14	Japan	U.S.	70,547	WW,HRW,HRS	?	Jan
11/14	Japan	Canada	15,500	CWRS	?	Jan
11/14	Japan	Australia	33,000	ASW	?	Jan
11/21	Japan	U.S.	68,100	WW,HRW,HRS	?	Jan
11/21	Japan	Canada	15,300	CWRS	?	Jan
11/21	Japan	Australia	17,000	ASW	?	Jan
11/28	Japan	U.S.	86,747	WW,HRW,HRS	?	Jan
11/28	Japan	Australia	15,747	ASW	?	Jan
10/31	Jordan	U.S.	25,000	HRW	?	Dec-Jan
10/31	Jordan	Yugoslavia	30,000	?	?	Dec-Jan
11/7	Korea	Australia	40,000	feed wheat		Nov-Dec
11/8	Korea	Australia	40,000	feed wheat	126.00 C&F	Nov-Dec
11/16	Korea	U.S.	62,280	various	various	Dec-Jan
11/27	Korea	Australia	50,000	feed wheat	123.85 C&F	Dec
11/27	Kuwait	U.S.	15,000	WW	?	Dec
11/7	Portugal	U.S.	30,000	SRW	150.83	Nov-Dec
10/31	Sri Lanka	U.S.	84,500	WW	various	Nov-Feb
10/31	Sri Lanka	U.S.	87,025	HRW 12%	various	Nov-Feb
11/6	Taiwan	U.S.	54,000	WW,HRS	various	Nov-Feb

1/ HRW=Hard Red Winter, HRS=Hard Red Spring, SRW=Soft Red Winter, HAD=Hard Amber Durum, WW=Western White ASW=Australian Soft White, CWRS=Canadian Western Red Spring, PH=Argentine Prime Hard
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

U.S. MARKET OPPORTUNITIES

**Brazil: Late August freezing temperatures in the state of Rio Grande do Sul reduced wheat yields much more than previously expected, and Brazil will now have to import record quantities of wheat to supplant domestic supplies. The president of the Brazilian Wheat Board recently said that Brazil needs to import a minimum of 4.8 million tons of milling-quality wheat (the current FAS import estimate is 5 million tons), and has logistical capabilities to import even more if needed. The United States has traditionallly supplied Brazil with most of its wheat import needs, but is facing increased competition from Argentina and the EC.

**Bangladesh: Extensive flooding in rice-producing areas has destroyed hundreds of thousands of tons of production, threatening famine in some areas. The Government of Bangladesh is drawing on its own wheat and rice stocks to avoid drastic price increases, and has requested that part of its fiscal year 1985 P.L. 480 allocation for rice be switched to wheat. If delays occur in implementing the P.L. 480 program, Bangladesh could turn to commercial imports of wheat to cover its immediate needs. Bangladesh is currently projected to import nearly 2 million tons of wheat in 1984/85 (July-June).

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**EC: The EC continues to aggressively market surplus wheat, as evidenced by a recent sale made to Brazil. To facilitate this 50,000 ton sale to Brazil, the EC opened its Special Zone IV tender (South America) for the first time in more than a year. After a six-week hiatus, the EC has resumed its weekly export tenders by authorizing nearly 600,000 tons of soft wheat for export with a $12 per ton subsidy. That brings total export authorizations to 4.7 million tons so far in 1984/85, the same pace as last year when the EC exported record quantities of wheat. Requests for export authorizations have exceeded a million tons in each of the past few weeks, an indication of EC exporters' strong desire to move surplus wheat.

**Australia: A barter sale of 300,000 tons of Australian wheat to Pakistan has been confirmed. It is the largest wheat sale reported there in several years, and probably largest ever to Pakistan by the Australian Wheat Board. The sale of white wheat was actually a barter arrangement with European grain traders acting as middlemen between Australia and Pakistan. FAS estimates Pakistan's wheat imports in 1984/85 (July-June) at 960,000 tons, of which 400,000 should come from the United States.

**France: France is again expected to supply about 1 million tons of flour to Egypt in calendar year 1985. The average price for French flour to Egypt in 1984 was about $205 per ton, c.& f. This compares to the last U.S. sale price under P.L. 480 of $215 per ton, f.a.s., to which freight of about $40 per ton must be added to obtain a comparable price. The million tons of French flour and the 400,000 tons to be supplied under the FY 1985 P.L. 480, Title I program will cover almost all of Egypt's flour import needs in 1985.

Competitive Developments in Selected Foreign Markets

**Colombia: The Colombian Minister of Agriculture said that wheat and malting barley imports (and other agricultural imports) in 1985 may be frozen at calendar year 1984 levels. U.S. wheat exports to Colombia in 1983/84 (July-June) totalled 570,000 tons, or about 50 percent of Colombia's total agricultural import bill, which the Minister said would remain at US$200 million in 1985.

**Kuwait: Kuwait recently made the first Gulf State purchase of U.S. wheat in several years, for delivery this month. This sale of 15,000 tons of white wheat came after samples of U.S. wheat were submitted for testing. If this shipment meets Kuwaiti expectations, it could pave the way for additional U.S. sales in the Arab Gulf area. Coming in the wake of the recent 100,000 ton commercial purchase of white wheat by Yemen, this development indicates the growing competitiveness of U.S. white wheat in these traditional Australian markets.

Internal Price Policies Of Foreign Countries

**Australia: For the first time, Guaranteed Minimum Prices (GMP) have been introduced for five different categories of wheat. The size of payments made to growers by the Australian Wheat Board will be determined by the amount of wheat delivered for each category: prime hard, hard, standard white, general purpose, and feed. Prior to the 1984/85 (Oct-Sept) season, only one GMP was declared for Standard White, and growers received premiums for hard wheats or were discounted for inferior wheats. Under the new system, 90 percent of the GMP will be paid on delivery, and the balance in February, 1985. The final payment level will reflect such marketing factors as the volume of wheat sold both domestically and for export, and prices obtained by the AWB. It is expected that this new GMP calculation will be a valuable guide in determining which wheat types are planted in the coming crop.

**Argentina: The Government of Argentina (GOA) has instituted a new wheat export sales quota system with maximum quotas established for each private company. The new quota system will supposedly make it more cumbersome for large buyers to make substantial purchases, but the GOA has not yet decided whether the system will be permanent. Changes in the sales registration system represent an attempt by GOA to obtain more destination information on private sales. In an unrelated development, the USSR announced its intent to renew the long term purchase agreement (LTA) with Argentina, which expires at the end of December 1984. However, the Soviets have not yet agreed to minimum purchases of at least 4 million tons of corn and sorghum per agreement year, as it did in the original LTA signed in 1980.

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis. For example, in terms of quality differentials, the Canadian price is set for No. 1 CWRS, while No. 2 CWRS was discounted by approximately C$6 per ton and No. 3 CWRS by about C$11 per ton; No. 1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

Exporter	1983/84 U.S.$ Equivalent		1983/84 Local Currency	1984/85 U.S.$ Equivalent		1984/85 Local Currency
	per bu	per ton	per ton	per bu	per ton	per ton
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.57	94	13,500 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	3.41	125	146 (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate. Current price as of November 28, 1984.
N/A Not available.

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY--MILLION TONS)

Monthly Shipments

4 Weeks Ending	1983/84	1984/85
Aug. 23	2.8	4.2
Sep. 20	2.5	5.1
Oct. 18	2.9	4.5
Nov. 22	2.9	3.4
Cumulative for MY......	16.0	22.2

Monthly Sales 2/

4 Weeks Ending	1983/84	1984/85
Aug. 23	2.9	5.4
Sep. 20	5.4	4.0
Oct. 18	3.1	3.2
Nov. 22	2.0	2.4
Cumulative for MY	24.0	30.4

Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending November 15............	0.6	23.7
Week Ending November 22............	0.7	25.2
Official Estimate for Current MY (Grain only)........................	39.5	1450
Implied Weekly Average.............	0.8	27.9
Latest Six Weeks Weekly Average.....................	0.7	26.4
Marketing Year-To-Date Weekly Average.....................	0.9	33.8
Weekly Avg. Extrapolated Annually..	47.8	1758
Balance of Year to Achieve Estimate	0.6	22.4
Implied Weekly Average.............	0.7	24.5

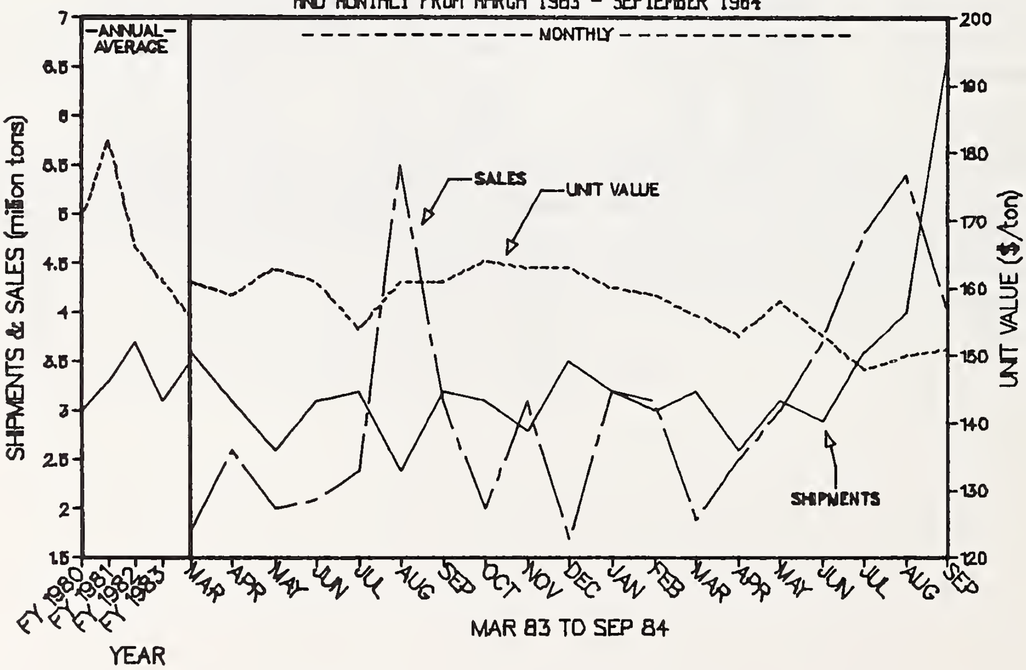
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1983/84-1984/85
(JULY/JUNE--MILLION TONS)

4 Weeks Ending 1/	Canada 83/84	Canada 84/85	Australia 83/84	Australia 84/85	Argentina 83/84	Argentina 84/85	France 2/ 83/84	France 2/ 84/85	Total 83/84	Total 84/85
Aug. 23	2.4	2.3	.5	1.0	.4	.1	.7	1.1	4.0	4.5
Sept 20	2.0	2.3	.5	1.1	.5	.1	1.6	1.7	4.6	3.5
Oct. 25	1.8	1.3	.5	1.3	.5	.1	.5	N/A	3.3	2.7
Nov. 21	1.3	1.4	.6	N/A	.3	—	1.4	N/A	3.6	1.4
Cumulative since July 1	9.5	7.3	2.2	N/A	2.4	.3	4.5	3.1	16.6	10.7
Total for Season 3/	21.8	17.2	11.6	15.0	9.6	6.5	10.0	11.0	53.0	49.7

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1984/85.
* Denotes less than 50,000 tons.

U.S. WHEAT SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM MARCH 1983 - SEPTEMBER 1984

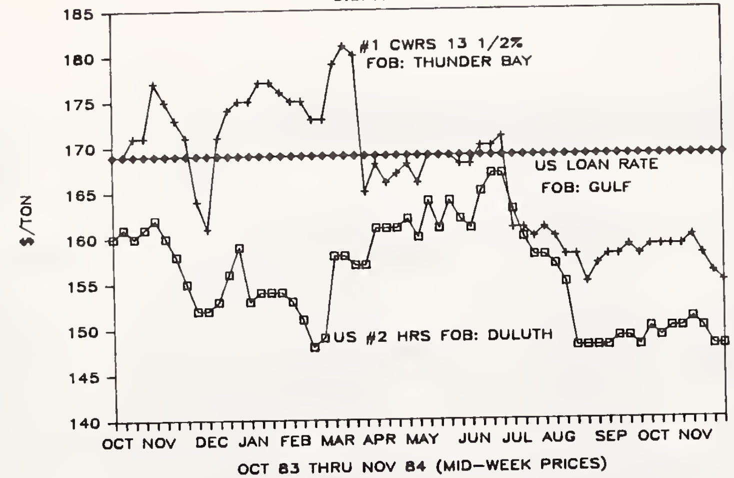


U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1982/83-1983/84; COMMITMENTS TO DATE FOR 1984/85 WITH COMPARISON TO 1983/84
(JUNE/MAY--1,000 TONS)

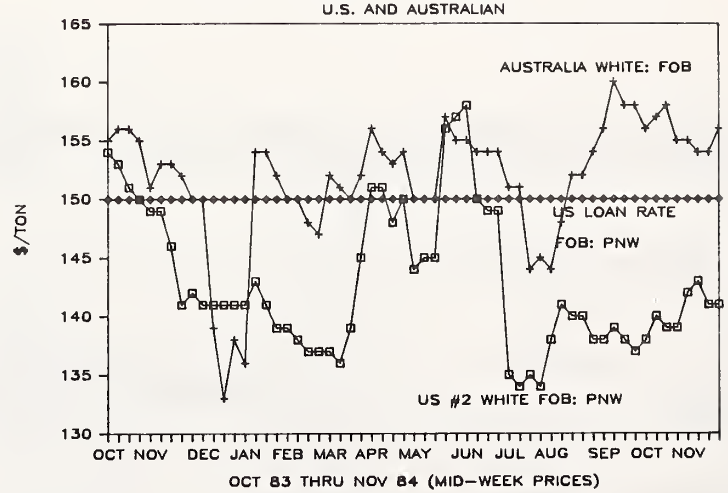
Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1982/83	3	1,162	35	53	495	1,748
	1983/84	3	1,218	2	--	263	1,491
	1983/84*	3	772	6	--	168	959
	1984/85**	--	479	4	--	122	605
Other W. Europe	1982/83	343	95	289	4	7	738
	1983/84	795	32	411	16	49	1,302
	1983/84*	186	21	194	7	31	437
	1984/85**	352	43	529	--	35	959
Eastern Europe	1982/83	--	--	122	--	74	196
	1983/84	--	--	283	--	72	355
	1983/84*	--	--	313	--	22	335
	1984/85**	--	--	--	--	26	26
USSR	1982/83	3,374	--	--	--	--	3,374
	1983/84	4,141	--	--	--	--	4,141
	1983/84*	2,054	--	--	--	--	2,054
	1984/85**	6,785	--	--	--	--	6,785
China	1982/83	386	--	4,938	--	--	5,324
	1983/84	1,368	--	1,549	--	--	2,917
	1983/84*	844	--	872	--	--	1,716
	1984/85**	105	--	3,081	--	--	3,186
Japan	1982/83	1,266	987	20	1,049	--	3,322
	1983/84	1,287	1,010	--	1,126	12	3,435
	1983/84*	800	632	--	662	--	2,094
	1984/85**	802	664	--	702	--	2,168
India	1982/83	2,480	--	--	1,405	--	3,885
	1983/84	198	--	--	968	--	1,166
	1983/84*	198	--	--	1,006	--	1,204
	1984/85**	--	--	--	--	--	--
Taiwan	1982/83	309	195	--	170	--	674
	1983/84	245	185	--	130	--	561
	1983/84*	287	158	--	121	--	567
	1984/85**	282	191	--	129	--	602
Rep. of Korea	1982/83	605	162	--	990	--	1,757
	1983/84	649	221	2	1,179	--	2,051
	1983/84*	419	134	2	716	--	1,272
	1984/85**	403	138	--	699	--	1,241
Other Asia, Middle East, and Oceania	1982/83	2,554	1,858	833	568	1	5,814
	1983/84	2,288	1,232	258	1,222	21	5,021
	1983/84*	1,925	784	197	727	21	3,653
	1984/85**	1,756	590	171	1,056	--	3,573
Egypt	1982/83	--	--	397	1,331	--	1,728
	1983/84	--	--	539	807	--	1,346
	1983/84*	--	--	446	227	--	673
	1983/84**	--	--	212	662	--	874
Nigeria	1982/83	918	242	81	--	--	1,241
	1983/84	1,278	265	88	--	--	1,631
	1983/84*	626	119	49	--	--	794
	1984/85**	585	164	73	--	--	823
Other Africa	1982/83	611	95	1,086	--	666	2,458
	1983/84	471	7	1,876	45	844	3,242
	1983/84*	297	4	800	3	570	1,674
	1984/85**	197	29	1,887	28	573	2,712
Brazil	1982/83	2,113	--	--	--	--	2,113
	1983/84	2,181	--	66	--	--	2,247
	1983/84*	1,862	--	66	--	--	1,929
	1984/85**	2,793	--	67	--	--	2,860
Other W. Hemis.	1982/83	2,172	1,464	559	8	271	4,474
	1983/84	2,223	1,477	514	48	296	4,558
	1983/84*	1,639	1,161	458	9	250	3,518
	1984/85**	1,522	997	362	140	211	3,232
Total 1/	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1983/84	17,128	5,647	5,593	5,541	1,556	35,464
	1983/84*	11,340	3,980	3,476	3,555	1,262	23,612
	1984/85**	16,041	3,386	6,431	3,442	1,125	30,425
	MY Projection 2/	21,364	5,851	7,212	5,443	1,633	41,504

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1984/85, including flour and products.
* Sales plus accumulated exports as of November 25, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of November 22, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

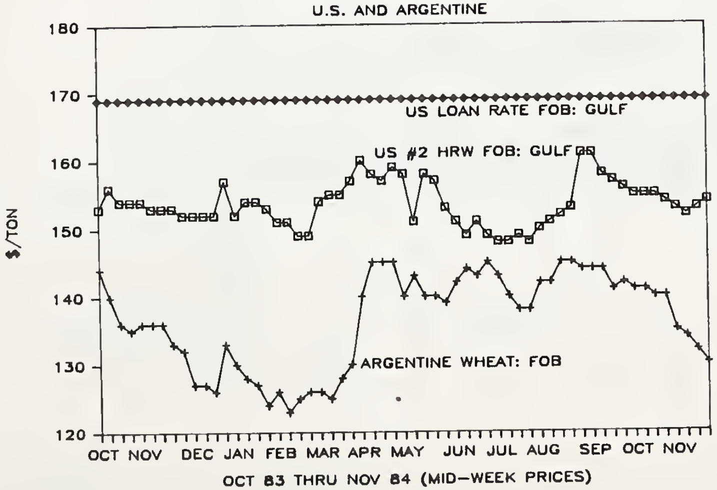
HARD RED SPRING WHEAT EXPORT PRICES
U.S. AND CANADIAN



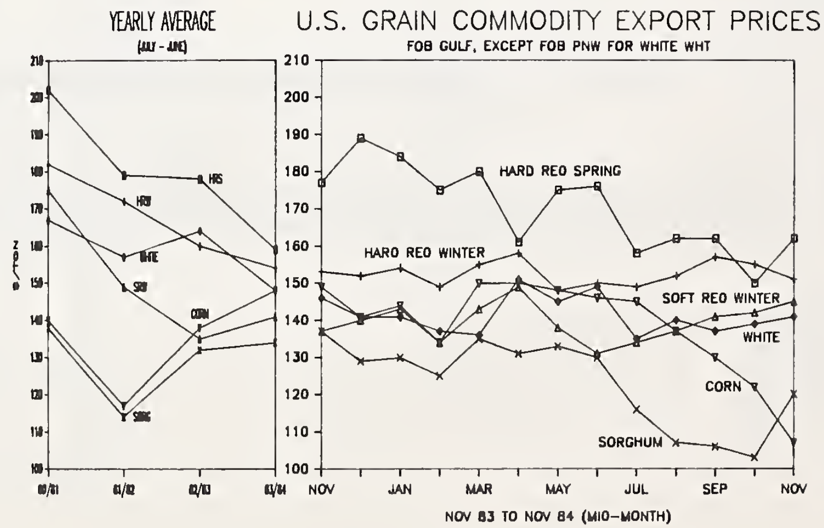
WHITE WHEAT EXPORT PRICES
U.S. AND AUSTRALIAN



HARD RED WINTER WHEAT EXPORT PRICES
U.S. AND ARGENTINE



U.S. GRAIN COMMODITY EXPORT PRICES
FOB GULF, EXCEPT FOB PNW FOR WHITE WHT



U.S. EXPORT EXPANSION ACTIVITY

**CCC Credit:

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES
UNDER CCC GUARANTEE PROGRAMS

	FY 1984		FY 1985 *		
	Total Exports	Estimated Exports Under CCC Programs	Announced	Approved	Estimated Quantity Yet To Be Purchased
	----------1,000 Tons--------		--Million Dollars--		------1,000 Tons------
Bangladesh	362	300	60		400
Brazil	2,097	2,914 1/	500	103.5	2643
Chile	860	567	50	0	333
Colombia	531	566 1/	--	--	--
Costa Rica	124	--	--	--	--
Dominican Rep.	151	106	--	--	--
Ecuador	357	457 1/	52	0	347
Egypt	2,073	526	--	--	--
Guatemala	109	138	--	--	--
Haiti	107	33	--	--	--
Iraq	952	1,225 1/	190	26.5	890.5
Jamaica	112	100	--	--	--
Korea	1,798	864	110	24.4	571
Morocco	1,849	2,245 1/	250	0	1,667
Nigeria	1,372	--	--	--	--
Peru	642	507	--	--	--
Philippines	572	637 1/	--	--	--
Portugal	720	2,780 1/ 2/	117	9.3	718
Tunisia	430	691	--	--	--
Turkey	591	500	81	0	540
Yemen	86	--	--	--	--
TOTAL	15,895	15,156	1,410	163.7	8,109.5

* Includes GSM-102, GSM-5, and Blended Credit, as of November 19, 1984

1/ Exports under CCC programs exceed total FY 84 because some of the estimated shipments may have actually moved after September 30, 1984.

2/ Wheat or Feedgrains

**PL-480:

INITIAL FY 1985 PUBLIC LAW 480 TITLE I/III
COUNTRY AND COMMODITY ALLOCATIONS
(1,000 TONS GRAIN EQUIVALENT)

Country	$Million-Total	Wheat/Flour	Rice	Feedgrains
$805 or Less Per Capita GNP				
Bangladesh	75.0	219	67	--
Bolivia	20.0	125	--	--
Egypt	225.0	1,448 1/	--	--
El Salvador	32.0	138	--	--
Ghana	6.0	--	--	--
Guinea	6.0	--	19	--
Haiti	12.5	78	--	--
Honduras	15.0	94	--	--
Indonesia	40.0	250	--	--
Kenya	10.0	44	9	--
Liberia	16.0	--	50	--
Madagascar	11.0	--	12	--
Maldives	1.5	4	2	--
Mozambique	10.0	32	9	20
Pakistan	50.0	--	--	--
Senegal	8.0	6	13	25
Sierra Leone	4.0	13	6	--
Somalia	20.0	48 1/	22	--
Sri Lanka	26.0	163	--	--
Sudan	50.0	305 1/	--	--
Yemen	10.0	12 1/	9	--
Zaire	15.0	67 1/	--	15
Zambia	10.0	25	5	--
Subtotal	673.0	3,071	223	60
Over $805 Per Capita GNP				
Costa Rica	28.0	115	--	24
Dominican Republic	22.0	50	--	110
Guatemala	16.0	63	--	--
Jamaica	35.0	110 2/	19	48
Mauritius	3.5	12 1/	5	--
Morocco	40.0	280	--	--
Peru	20.0	50	--	--
Tunisia	5.0	31	--	--
Subtotal	169.5	711	24	182
Allocated 3/	900.5	4,016	279	277
Unallocated Reserve	199.0	--	--	--
TOTAL PROGRAM	1,099.5	--	--	--

1/ Wheat equivalent of flour or contains some portion of wheat equiv. of flour.

2/ Contains some portion of blended and/or fortified foods.

3/ Includes allocations for programs being developed.

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast. In response to lower demand from South Africa and increases in production of coarse grains in the European Community and some major importers, the projected October-September 1984/85 U.S. corn export forecast was decreased to 52.7 million tons. The projection for 1984/85 U.S. sorghum exports remains unchanged from last month at 6.4 million tons.

Shipments and Sales. Sales of U.S. corn for the 4-week period ending November 22 continued to slow as the calendar year ends. The most noteable were reported to Mexico, Taiwan, and South Africa. The major destinations for corn shipments continues to be Mexico, the Soviet Union, and Japan. Principal destinations for U.S. sorghum exports this month were Mexico and Yugoslavia. Corn and sorghum shipments have been strong for the period, averaging well above the level needed to meet the current export forecast.

Importer Buying Activity

Relatively light buying activity this month was highlighted by Mexican corn and sorghum purchases. Yugoslavia made its first U.S. sorghum purchase in five years, and Taiwan and Korea were again the principal corn buyers.

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN OCTOBER 25, 1984 AND NOVEMBER 28, 1984

Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per Ton)	Delivery Period 3/
11/15	Cyprus	U.S.	10,000	#2 YS	130.50 C&F	Jan
11/15	Cyprus	U.S.	12,000	#2 YC	141.90 C&F	Jan
10/31	Korea	U.S.	55,000	YC	125.16	Nov-Dec
11/7	Korea	U.S.	32,000	YC	139.32	
11/8	Korea	China	50,000	YC	127.50 C&F	Dec
11/7	Mexico	U.S.	207,000	#2 YC	?	Dec-Jan
11/8	Mexico	U.S.	95,000	#2 YS	?	Dec
11/28	Mexico	U.S.	390,000	#2 YC	?	Jan-Feb
10/31	Portugal	U.S.	35,000	YC	135.00 C&F	Nov-Dec
11/7	Portugal	U.S.	44,000	#2 YC	120.75	Nov-Dec
10/31	S. Africa	U.S.	200,000	YC	?	Nov
11/6	Taiwan	U.S.	20,000	YC	147.00	Nov
11/9	Taiwan	U.S.	177,000	#2 YC	146.42 @ 147 C&F	Nov-Dec
11/19	Yugoslavia	U.S.	32,000	#2 YS	114.00	Dec

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTIONS 1/
(OCTOBER/SEPTEMBER—MILLION TONS)

Monthly Shipments

4 Weeks Ending	CORN 82/83	CORN 83/84	SORGHUM 82/83	SORGHUM 83/84
Aug. 23	3.5	3.7	.7	.5
Sept. 20	3.3	2.4	.5	.4
TOTAL FOR MY	48.0	47.1	5.7	6.4
	83/84	84/85	83/84	84/85
Oct. 18	2.3	1.7	.3	.7
Nov. 22	6.6	6.6	.7	.7
TOTAL FOR MY	8.9	8.3	1.0	1.4

Monthly Sales 2/

4 Weeks Ending	CORN 82/83	CORN 83/84	SORGHUM 82/83	SORGHUM 83/84
Aug. 23	6.8	8.0	.5	.5
Sept. 20	4.8	3.5	.3	.5
TOTAL FOR MY	49.4	48.5	5.9	6.8
	83/84	84/85	83/84	84/85
Oct. 18	3.0	3.6	.6	.4
Nov. 22	4.2	3.1	1.0	.7
TOTAL FOR MY	23.3	21.9	2.7	2.6

Weekly and Annual Inspection Rates

	CORN MT	CORN BU	Sorghum MT	Sorghum BU
Week Ending November 15............	1.5	57.2	.15	5.8
Week Ending November 22............	1.4	53.8	.15	6.2
Official Estimate for Current MY				
(Grain only)......................	52.3	2058	6.35	250
Implied Weekly Average............	1.0	39.6	.12	4.8
Latest Six Weeks				
Weekly Average....................	1.2	48.5	0.16	6.4
Marketing Year-To-Date				
Weekly Average....................	1.1	44.0	0.21	8.3
Weekly Avg. Extrapolated Annually..	58.1	2288	11.0	432
Balance of Year to Achieve Estimate				
Implied Weekly Average............	1.0	38.8	0.11	4.2

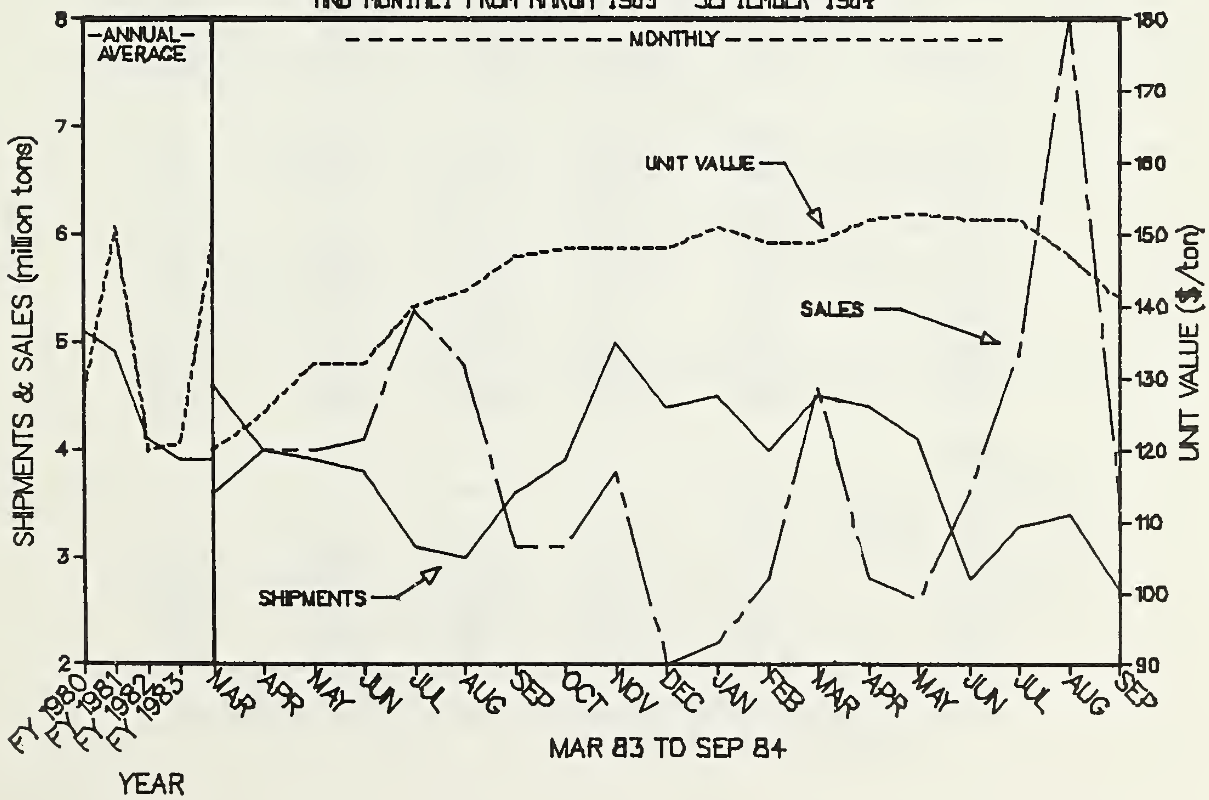
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.
Source: Export Sales; FGIS

CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER—MILLION TONS)

	SORGHUM Argentina		CORN Argentina		CORN Thailand		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
Aug. 23	.6	.2	.7	.5	.1	.1	1.4	.8
Sept 20	.2	.2	.5	.3	.3	.1	1.0	.6
TOTAL FOR SEASON	4.9	4.8	6.4	5.9	2.2	3.0	13.5	13.7
4 Weeks Ending	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
Oct. 18	.4	.2	.3	.2	.4	.5	1.1	.9
Nov. 22	.3	-	.2	.6	.4	.3	.9	.9
Cumul. in MY	.7	.2	.5	.8	.7	.7	1.9	1.7
TOTAL FOR SEASON 2/	4.8	4.8	5.9	6.5	3.0	3.1	13.7	14.4

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1984/85.

U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1980 - 1984 (proj)
AND MONTHLY FROM MARCH 1983 - SEPTEMBER 1984



**Italy: Corn harvest delays of up to 30 days are reported, due to persistent rains throughout the growing season. The moisture content of new crop corn is also reported to be very high, which will mean additional drying costs, and could affect crop quality. Still, corn is price competitive with other grains and is preferred by feed manufacturers. Total consumption of corn is expected to increase in 1984/85 (Aug-July), and in light of lower French corn production, import demand for third country corn is expected to remain strong. U.S. corn exports to Italy could approach 500,000 tons in 1984/85 (Oct-Sept).

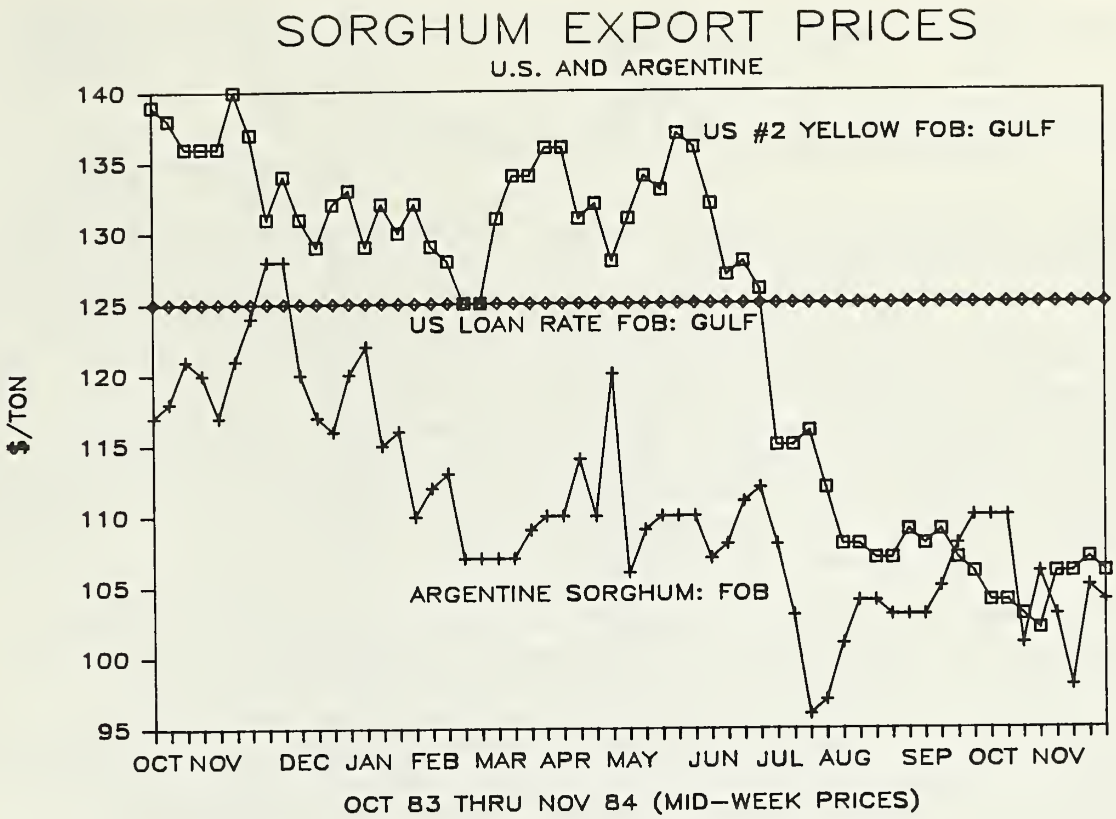
**Nigeria: Guiness Nigeria, the country's second largest brewer, recently purchased 25,000 tons of barley malt from the United States. Nigeria traditionally purchases its malt from East and West Europe, and this sale represents their first-ever U.S. purchase. Other Nigerian brewers have expressed interest in buying at least part of their annual barley malt requirements from the United States, which are estimated to be around 150,000 tons.

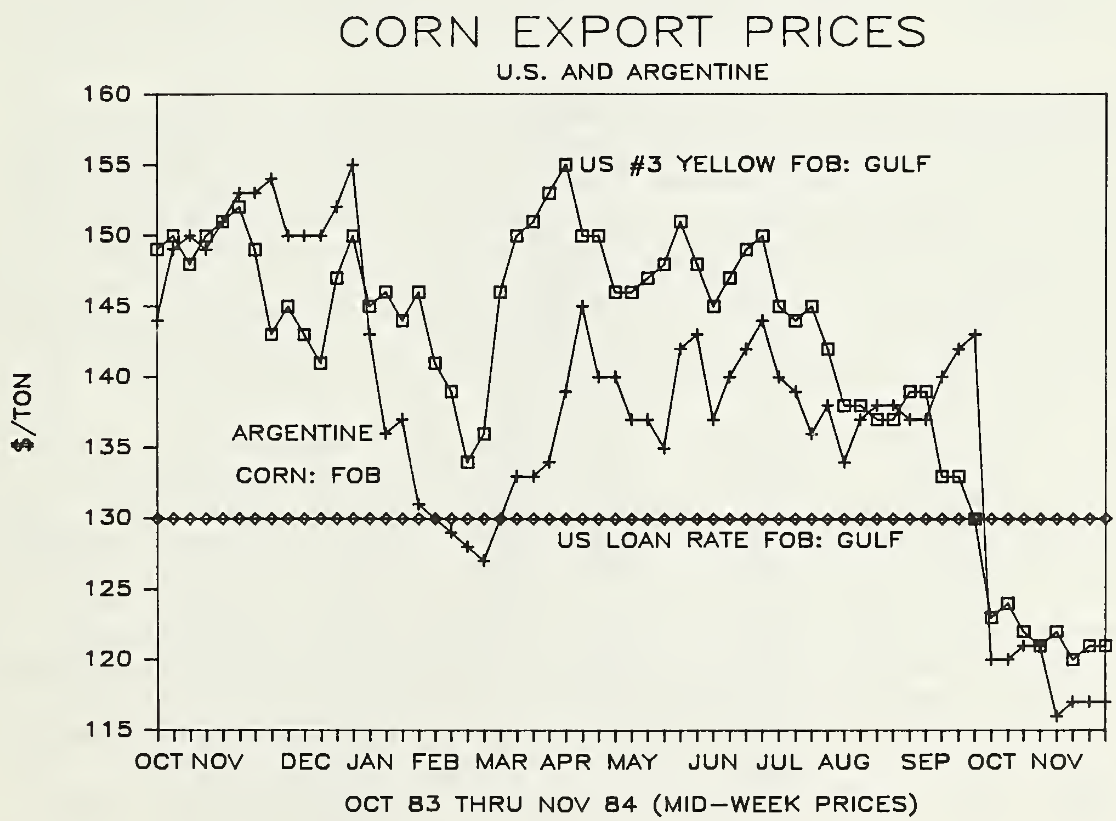
**South Africa: Last year's drought conditions have been somewhat alleviated, but rainfall has been disappointing and western corn growing areas are still dry. Planting progress in these areas is only about 50 percent complete, and is being stressed by drought and heat. Overall, a return to more normal corn production in 1984/85 is indicated, but imports could be required to rebuild stocks above last year's low levels if dry conditions persist.

U.S. CORN AND SORGHUM EXPORTS BY DESTINATION
(OCTOBER/SEPTEMBER--1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Actual Exports	Committed as of 11/24/83 1/	Committed as of 11/22/84 1/
CORN					
EC	7,095	4,033	3,677	1,114	390
Other W. Europe	8,204	5,388	4,473	1,800	1,162
Eastern Europe	3,889	1,470	727	355	426
USSR	7,772	3,200	6,500	2,720	8,389
China	1,117	2,161	18	--	--
Japan	10,588	13,180	13,781	8,890	5,032
Taiwan	1,718	3,000	2,676	1,869	1,760
Rep. of Korea	2,690	3,908	2,972	1,046	260
Egypt	1,350	1,516	1,303	309	343
Canada	800	750	283	3	27
Mexico	571	4,091	2,808	842	650
Venezuela	414	892	1,140	346	219
Others	3,732	3,938	6,992	4,047	3,232
Total	49,940	47,527	47,350	23,341	21,890
SORGHUM					
Spain	790	105	465	122	45
Other W. Europe (excluding Spain)	540	251	136	48	36
Japan	2,437	741	1,505	867	1,421
Israel	368	341	574	388	233
Mexico	544	3,260	2,758	1,072	372
Venezuela	713	243	206	54	185
Others	898	462	582	177	394
Total	6,290	5,403	6,226	2,728	2,686

1/ Accumulated shipments and sales, excluding sales for next marketing year.
Source: U.S. Census for 1981/82-1983/84 and U.S. Export Sales for 1983/84-1984/85 marketing year to date comparisons.


SORGHUM EXPORT PRICES
U.S. AND ARGENTINE
US #2 YELLOW FOB: GULF
US LOAN RATE FOB: GULF
ARGENTINE SORGHUM: FOB
$/TON
140
135
130
125
120
115
110
105
100
95
OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV
OCT 83 THRU NOV 84 (MID-WEEK PRICES)


CORN EXPORT PRICES
U.S. AND ARGENTINE
US #3 YELLOW FOB: GULF
ARGENTINE
CORN: FOB
US LOAN RATE FOB: GULF
$/TON
160
155
150
145
140
135
130
125
120
115
OCT NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV
OCT 83 THRU NOV 84 (MID-WEEK PRICES)

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Competitive Developments in Selected Foreign Markets

**China: A recent sale of corn to Japan's biggest cornstarch manufacturer brings Chinese corn exports to Japan to over 500,000 tons. China's corn exports for the coming marketing year are estimated at one million tons during 1984/85 (Oct-Sept). Lower moisture levels, shorter shipping times, use of smaller vessels, and competitive prices all contributed to the decision by the Japanese importer to purchase corn from China. This corn is expected to displace corn usually purchased by the starch manufacturer from the United States during this period, but future purchases from China will depend on the results of this trial. Japan has purchased over 90 percent of its corn import needs from the United States over the past 3 years, and is currently forecast to import 14.8 million tons in 1984/85 (Oct-Sept).

**Israel: Tapioca has been introduced for the first time as a ingredient for animal feed in Israel, and this development could limit imports of U.S. corn and sorghum in 1984/85 (Oct/Sept). The origin of the tapioca is Thailand, and the first shipments arriving last month were tested by major feed mills. Although handling problems occurred, import prices of around $100 per ton and the absence of import levies usually applied to feed grains make additional trial shipments likely. Estimated imports of 100,000 tons of tapioca (smaller feed grain producers are reportedly not yet interested), based on experimental substitution of up to 10 percent in poultry rations and 20 percent in cattle rations, would displace an estimated 60,000 tons of U.S. corn and sorghum. Israel is forecast to import 1.3 million tons of feed grains in 1984/85, of which about 75 percent is projected to be U.S. corn and sorghum.

**Taiwan: The decision in Taiwan to once again accept corn from Thailand appears to have been made a bit prematurely, as two shipments totaling 35,000 tons were initially rejected because they contained twice the allowable limits of aflatoxin. These shipments were finally accepted, however, once it was determined by chemists in Taiwan that the aflatoxin would be destroyed if the corn was processed into starch and not used directly for human consumption. Thailand had resumed corn shipments to Taiwan after a two year hiatus because of previous aflatoxin problems. During this time, U.S. exporters secured almost 100 percent of Taiwan's corn market of 3 million tons per year.

**Spain: Wheat and coarse grain production in Spain is forecast to reach a record 20 million tons in 1984/85, which could have a negative effect on imports from the United States. This 33 percent increase in production, along with the continued strength of the dollar caused a shift in Spanish imports of coarse grains last year, as large purchases of EC and Canadian barley in 1983/84 (Oct-Sept) substantially cut into U.S. corn sales. A large wheat crop and continued high import costs for feed grains encouraged a doubling of domestic wheat useage for feed in 1983/84 to 1.2 million tons, and for 1984/85 this feed use is expected to increase again by 50 percent to 1.8 million tons. A slight pickup in demand for U.S. corn in 1984/85 is expected because of lower prices, but the trend of lower corn imports could continue if increasingly larger amounts of domestically wheat grown are used for animal feed.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

	U.S.		CANADA		FRANCE 2/		U.K. 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
July 19	*	*	.4	.3	.1	*	*	*	.5	.3
August 23	*	.1	.6	.3	.1	N/A	.1	N/A	.8	N/A
September 20	*	*	.9	.2	*	N/A	*	N/A	*	N/A
October 18	.3	.2	.5	N/A	.1	*	N/A	.9	.9	N/A
Total for Season	1.0	2.0	6.2	4.3	1.1	1.0	1.4	1.4	9.7	8.7
4 Weeks Ending	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
October 18	.3	.2	.5	N/A	.1	N/A	*	N/A	.9	N/A
Total for Season 3/	2.0	2.2	4.3	3.0	1.0	2.5	1.4	2.5	8.7	9.2

1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1984/85.
N/A Not available.
* Less than 50,000 tons.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 11/22/83 1/	Committed as of 11/22/84 1/
EC	301	112	360	313	110
Other W. Europe	472	226	441	181	357
Eastern Europe	111	--	126	68	--
Taiwan	373	146	223	210	259
Japan	336	119	372	280	314
Canada	128	--	--	--	--
Others	546	317	509	588	470
Total	2,267	920	2,033	1,638	1,506

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. OATS EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

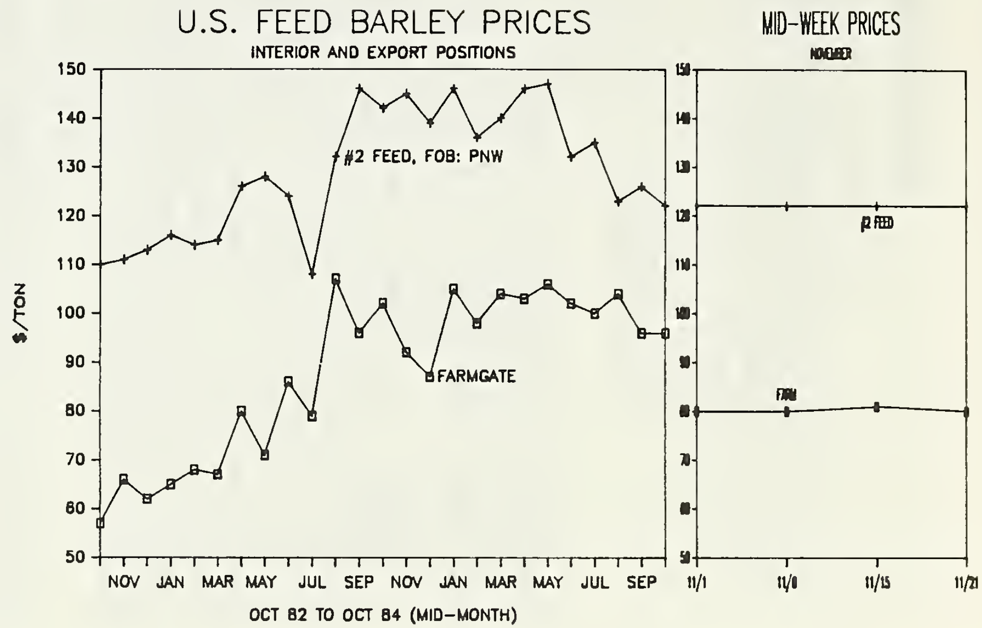
			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 11/22/83 1/	Committed as of 11/22/84 1/
EC	4	--	5	15	--
Canada	1	--	--	--	--
Mexico	16	--	--	--	--
Venezuela	10	1	--3	--	1
Others	87	3	1	--	--
Total	118	4	9	15	1

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. RYE EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 11/22/83 1/	Committed as of 11/22/84 1/
EC	1	--	3	--	--
Other W. Europe	13	--	--	--	--
Canada	15	--	--	--	--
Others	9	--	20	20	--
Total	38	--	23	20	--

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.



BARLEY, OATS AND RYE

U.S. EXPORTS OF BARLEY, OATS AND RYE
JUNE/MAY--1,000 TONS

Grain	1982/83	1983/84 1/	1984/85 2/
Barley	1,028	2,000	1,525
Oats	43	29	43
Rye	5	25	25

1/ Estimated.
2/ Projected.

DEVELOPMENTS AFFECTING U.S. EXPORTS

Competitive Developments in Selected Foreign Markets

**Poland: Last month's Poland/USSR barter arrangement, in which Poland is to supply the USSR 400,000 tons of rye in exchange for 350,000 tons of wheat, indicates that Poland could have a larger supply of rye than was previously thought available for export. Originally forecast to export only 200,000 tons of rye in 1984/85 (Oct-Sept), exports of this magnitude in addition to the barter trade with the USSR would be an all-time record. Poland is still expected to import 2.7 million tons of wheat and coarse grains in 1984/85, but a record grain crop of almost 23 million tons is enabling Poland to consider exports to generate foreign exchange, and perhaps cut back somewhat on grain imports in the near future.

Internal Price Policies Of Foreign Countries

**Portugal: The Government of Portugal (GOP) announced a 22 percent producer price increase for barley harvested during the 1985/86 (July-June) marketing year. The government's policy is to encourage winter grain production by announcing new producer prices at the start of the planting season. In doing so, it is giving priority to increasing forage grain production, namely barley to substitute for imported corn. Portugal imported approximately 2.1 million tons of corn from the United States in 1983/84 (Oct-Sept). In addition, the GOP announced a monthly accretion of US$3.59 per ton during September to April will be paid to barley producers to encourage staggered deliveries to government silos, and hopefully provide incentives to build additional on-farm storage facilities.

BEANS, PEAS, AND LENTILS

MARKET OPPORTUNITIES

**Oman: A recent trip to the Arab Gulf by FAS market development cooperators revealed that 1,000-2,000 ton market for red lentils exists in Oman. The Public Authority for Stores and Food Reserve in Oman is currently seeking to import 500 tons. The Authority is trying to diversify imports, and in light of lower lentil availabilities from Turkey this year, Oman is seeking offers from the United States.

Competitive Developments In Selected Foreign Markets

**Turkey: A 50 percent decrease in 1984 lentil production is likely to affect exportable supplies. Turkish lentil exports through July are running behind last year's pace, and with higher domestic prices and the short crop, it is doubtful that Turkey can match 1983's export level of 371,000 tons.

Turkey: Supply and Distribution of Lentils
(1000 tons)

Year	Beginning Stocks	Production	Exports	Domestic Consumption	Ending Stocks
1982	10	550	312.3	127.7	120
1983	120	600	371.0	139.0	210
1984	210	300	350.0	120.0	40

RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES 1/

Export Forecast. The forecast for U.S. exports in 1984/85 (August/July) has been reduced by 150,000 tons to 2.05 million tons. The primary reason for the reduction is the continued absence of the Republic of Korea and Nigeria from the U.S. market. The U.S. export outlook is further dimmed by the recent devaluation of the Thai baht which has allowed the Thais to lower their export prices, making U.S rice even less competitive. Competition from Thailand is expected to be especially stiff in the high quality commercial markets of Western Europe, the Middle East and South Africa.

Shipments and Sales. U.S. rice exports during the 5-week period ending November 21 totaled 171,700. This figure shows the continuing decline in the rate of exports begun in the previous 4-week period when shipments dropped drastically to only 167,000 tons. Iraq, Saudi Arabia, Benin and South Africa were major destinations. Shipments for the 1984/85 marketing year through November 22 totaled 700,000 tons, about 13 percent below the level of shipments during the same period one year ago. For the 5-week period ending November 22, new sales registrations for 1984/85 delivery totaled 139,400 tons, up sharply from the rate of new sales registered in the previous 4-week period. Commitments for the current marketing year now total 1.032 million tons, compared to the 1.286 million tons sold by this date last year.

1/ Shipments and sales data are on a product basis.

IMPORTER BUYING ACTIVITY

Buying activity fell sharply this month, in spite of the devaluation of the Thai baht. Importers may be waiting for the new harvest to be brought in before making large new purchases. Syria was this month's largest rice buyer, taking a substantial amount of Thai 100% C. Italy and South Yemen were the major takers in the high quality market.

ESTIMATED RICE IMPORT COMMITMENTS FOR SELECTED COUNTRIES
(CALENDAR 1984--1,000 TONS)

Buyer	U.S.	Thailand	Pakistan	Burma	Other	Total Committed *	Forecast Imports
India	10	285	--	425	--	720	700
Indonesia	54	125	15	65	365	625	500
Iran	--	485	145	--	145	775	700
Iraq	490	45	--	--	--	535	500
Nigeria	25	455	180	--	--	660	450

* Discrepancies due to rounding.

**<u>India</u>: Imports of 500,000 tons are expected in the November/October 1984/85 marketing year in India's effort to continue building stocks to a more comfortable level. Government procurement levels are running over twice that of last year at this time because of early harvests in some areas, but total government procurements for the year are unlikely to exceed last year's levels because of the production shortfalls caused by a two month drought in some important rice-producing states. Imports in 1983/84 totaled 900,000 tons.

MARKET OPPORTUNITIES

**<u>Iraq</u>: Reports indicate that the rice harvest may be substantially below normal this year due to the continuing war with Iran and the low level of the Tigris and Euphrates rivers. The U.S. is expected to supply about 90% of Iraq's rice imports in MY 1984/85.

**<u>North Yemen</u>: The November 24 tender for 8,000 tons of U.S. #2/4% long grain rice which was cancelled has been rescheduled for December 4, 1984. North Yemen has been a good market for U.S. rice, and is forecast to import 40,000 tons of milled rice in calendar year 1985.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

The devaluation of the baht allowed the price of all varieties of Thai rice to drop substantially in November. The price of most varieties fell 25 to 35 dollars per ton. Representative offered prices in Bangkok at the end of November were $235 for Thai 100% B, $227 for parboiled 5%, and $210 for 25% brokens.

**Thailand: Exports continued to fall through the last two weeks of October, reflecting the lack of new sales made during September. Shipments have turned up sharply through the past month, but remain at relatively low levels. In spite of sluggish exports over the last two months, total exports through November 17 were 4.0 million tons, over 22 percent higher than the level of exports for the same period one year ago.

WEEKLY THAI RICE EXPORTS

Week Ending	Actual	4-Week Moving Avg.
October 20	88,434	74,487
October 27	64,989	67,977
November 3	36,760	60,979
November 10	62,532	63,179
November 17	76,093	60,093

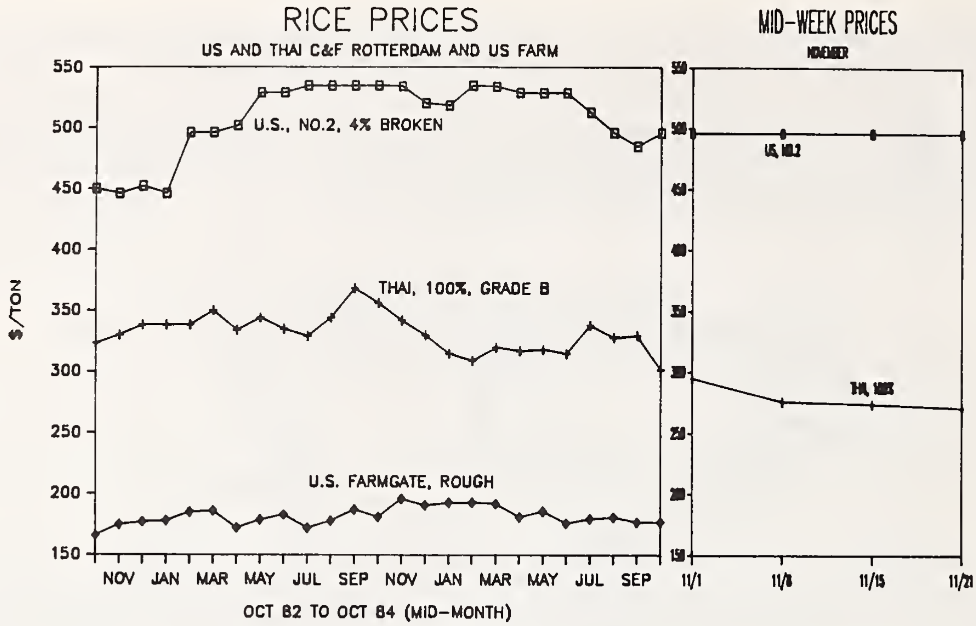
New sales activity dropped substantially during the past month with the largest sales going to Syria, Italy, and Senegal. Total export commitments for CY 1984 are estimated at 4.7 million tons, while actual exports are expected to reach 4.4 million tons.

**Pakistan: Rice exports for October totaled 62,054 metric tons, over two-thirds of which went to Nigeria. The October shipments bring total January/October exports to about 905,000 mt. Pakistani rice exports for CY 1984 are expected to reach 1.2 million tons.

RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN OCTOBER 25 AND NOVEMBER 25, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price \$/MT 2/	Delivery Period	Date of Report
Cameroon/Nigeria	Thailand	5.0	10%	233	Nov	10/26
Italy	Thailand	2.5	100% B	N/A	Nov/Dec	11/15
	Thailand	2.5	5%	N/A	Nov/Dec	11/15
	Thailand	13.6	100% B	N/A	Nov	11/09
	Thailand	5.0	100% P	198 (50 Kg)	Dec	11/26
Senegal	Thailand	15.0	A-1 Special	200.00	Dec	11/15
	Thailand	10.0	A-1 Special	177	Dec	11/09
Seychelles	Thailand	1.0	10%	233	Nov	10/26
Sudan	Thailand	5.0	10%	233	Nov	10/26
Syria	Thailand	24.0	100% C	244 3/	Dec	11/19
	Thailand	24.0	100% C	242.5 3/	Jan	11/19
Tanzania	Thailand	1.4	15%	220	Nov	10/09
	Thailand	1.4	15%	195	Nov	10/26

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B/ = Brown, F = Fragrant, L/Bld = Long, Boiled, F/Bld = Full Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ C&F
4/ Stowed
N/A Not available.



**Japan: Japan does not expect to export any rice in 1984/85 (Nov-Oct), in spite of an excellent harvest with record yields of 4.69 tons per hectare on a milled basis. Most of the surplus rice will be stocked as part of a three-year stock-building program. The large harvest should allow the Japanese to stock 678,000 tons of milled rice, easily exceeding the target for the first phase of the program. By 1987 Japan hopes to have stocks of 1.1-1.4 million metric tons. The bountiful crop does, however, make it unlikely that Japan will import any rice in 1984/85. From November 1983 to September 1984 Japan imported 125,387 tons of milled rice for industrial purposes, most of which came from Korea.

**China: The Chinese Government is allowing more individual provinces to export rice. Up until this year only Guangzhou and Fujian Provinces in extreme south and southeast China were permitted to export rice, and then just to Hong Kong. It was discovered at a recent Canton trade fair that rice surplus provinces such as Hubei in central China are now allowed to export rice, and are no longer limited to the Hong Kong market. Projected rice exports for CY 1984 are 700,000 tons.

**Pakistan: Rice exports for October totaled 62,054 metric tons, over two-thirds of which went to Nigeria. The October shipments bring total January/October exports to about 905,000 mt. Pakistani rice exports for CY 1984 are expected to reach 1.2 million tons.

**Burma: The harvest of Burma's new rice crop began in late October. Initial reports are that yield and production are very good. Export commitments for delivery in CY 1984 currently stand at an estimated 915,000 tons, against projected total exports of 850,000 tons.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1981/82-1983/84, AND AUGUST 1 THROUGH OCTOBER 20 for 1984/85
(AUGUST/JULY--1,000 TONS)

Destination	Marketing Year	Long Grain Milled	Long Grain Brown 2/	Other 1/ Milled	Other 1/ Brown 2/	Total Exports
EC 10	1981/82	2	310	56	192	560
	1982/83	1	214	15	—	230
	1983/84	29	192	2	70	293
	1984/85	11	129	5	34	178
Other W. Europe	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	23	35	3	138	199
	1984/85	16	17	2	20	56
E. Europe & USSR	1981/82	*	—	*	—	*
	1982/83	*	—	*	—	*
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	—
Iran	1981/82	85	—	—	—	85
	1982/83	—	—	—	—	—
	1983/84	—	—	—	—	—
	1984/85	—	—	—	—	—
Iraq	1981/82	270	—	*	—	270
	1982/83	327	—	*	—	327
	1983/84	230	—	2	—	232
	1984/85	271	—	1	—	273
Saudi Arabia	1981/82	250	—	15	—	265
	1982/83	267	—	2	—	269
	1983/84	253	—	6	—	253
	1984/85	127	—	1	—	129
Other Middle East	1981/82	106	8	17	3	135
	1982/83	48	—	2	—	50
	1983/84	40	—	12	—	52
	1984/85	14	—	1	—	15
Republic of Korea	1981/82	—	—	*	339	339
	1982/83	—	—	*	213	213
	1983/84	—	—	*	112	112
	1984/85	—	—	—	—	—
Other Asia & Oceania	1981/82	4	—	38	—	43
	1982/83	2	—	129	—	132
	1983/84	3	—	140	—	143
	1984/85	3	—	17	—	19
Nigeria	1981/82	347	—	—	—	347
	1982/83	159	—	—	—	159
	1983/84	63	—	—	—	63
	1984/85	*	—	—	—	*
Other Africa	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	95	150	136	—	381
	1984/85	101	30	57	—	189
W. Hemisphere	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	156	24	109	14	303
	1984/85	78	20	7	19	124
Total 3/	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	900	401	408	338	2,043
	1984/85	635	196	93	109	1,032

* Less than 500 tons.
1/ Includes medium, short, and mixed.
2/ Data not converted to a milled equivalency. Includes rough rice.
3/ Discrepancies due to rounding and changes to unknown destinations.
SOURCE: U.S. Export Sales

**GSM-102: During the past month, Portugal recieved a FY 1985 credit guarantee of $15 million, none of which has been used. The outstanding balance on Iraq's credit guarantee for FY 1985 is $159.7 million.

**PL-480: Initial allocations for the FY 1985 PL-480 Title I/III programs were announced in October, and Bangladesh is the only country with rice allocations that has signed a new agreement. The following table lists the preliminary allocations by country.

INITIAL PL-480 TITLE I/III ALLOCATIONS
FOR RICE IN FY 1985

Country	Allocation $Million	Country	Allocation $Million
Bangladesh	20.0	Mauritius	1.5
Ghana	2.0	Mozambique	2.0
Guinea	6.0	Senegal	4.0
Jamaica	6.0	Sierra Leone	3.0
Kenya	3.0	Somalia	7.0
Liberia	16.0	Yemen	3.0
Madagascar	9.0	Zambia	1.5
Maldives	0.6		
		Total	84.60

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250, Tel. (202) 447-2009.

U.S. WHEAT PROGRAMS

	1983 Program Equivalent: Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent: Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent: Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Trigger Release Price	$200	$4.45	--	-- 2/	--	--
Target Price	$195	$4.30	$198	$4.38	$198	$4.38
Loan (Reserve)	$171	$3.65	--	--	--	--
National Loan	$171	$3.65	$158	$3.30	$158	$3.30
Season Average Producer Price	$167	$3.54	$160-167	$3.35-3.55 3/	--	--
Current Farm Price	--	--	$162	$3.41 3/	--	--
Paid Diversion	$136	$2.70	$136	$2.70	$136	$2.70

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of November 28, 1984.

U.S. CORN PROGRAMS

	1983 Program Equivalent Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Trigger Release Price	$159	$3.25	--	-- 2/	--	--
Target Price	$144	$2.86	$151	$3.03	$151	$3.03
Season Average Producer Price	$157	$3.20	$136-$148	$2.65-$2.95	--	--
Current Farm Price	--	--	$132	$2.55 3/	--	--
National Loan	$136	$2.65	$132	$2.55	$132	$2.55
Loan (Reserve)	$136	$2.65	$132	$2.55	--	--
Paid Diversion	$91	$1.50	--	--	--	--

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of November 28, 1984.

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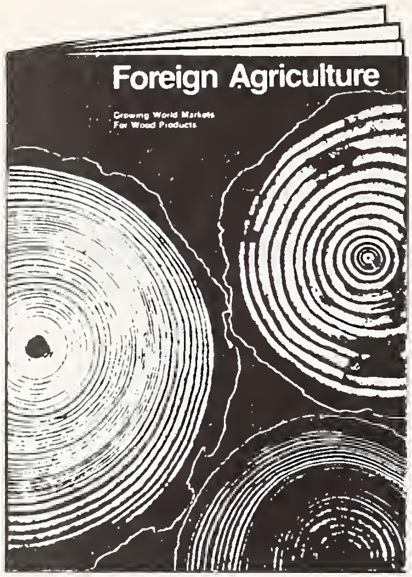

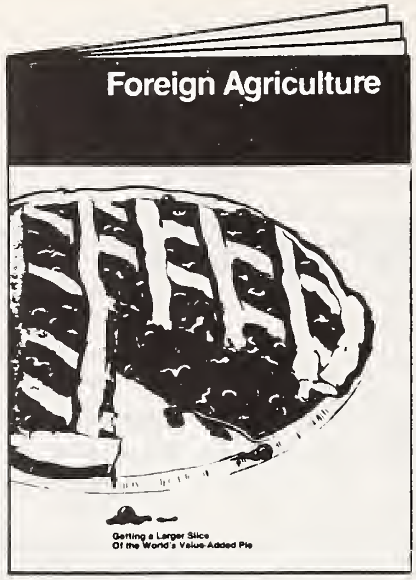

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EXPORT MARKETS FOR U.S. GRAIN AND FEED COMMODITIES
December 28, 1984

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HIGHLIGHTS

Major developments affecting U.S. exports over the past month include:

--India agreed to supply the Soviet Union with 500,000 tons of wheat in 1985.

--Argentina sold wheat to China, their first exports there since 1983.

--Canada is agressively marketing wheat in South America, offering credit terms similar to GSM-102.

--Indonesian demand for U.S. wheat is lower than expected due to a bumper rice harvest.

--Record EC wheat production of bread wheat varieties will dampen demand for high protein wheat from the U.S.

--Brazil purchased 200,000 tons of U.S. corn, the largest U.S. corn sale there in many years.

--China is agressively selling corn to Korea and Japan, directly affecting U.S. exports.

--Germany is dissatified with the quality of EC corn, and could look to the U.S. as a source of supply.

--Morocco will require higher levels of wheat imports due to low stocks and production; imports from the U.S. could exceed 2 million tons.

--Jordan expects to import more U.S. wheat and corn in 1984/85, due to development of a food reserve.

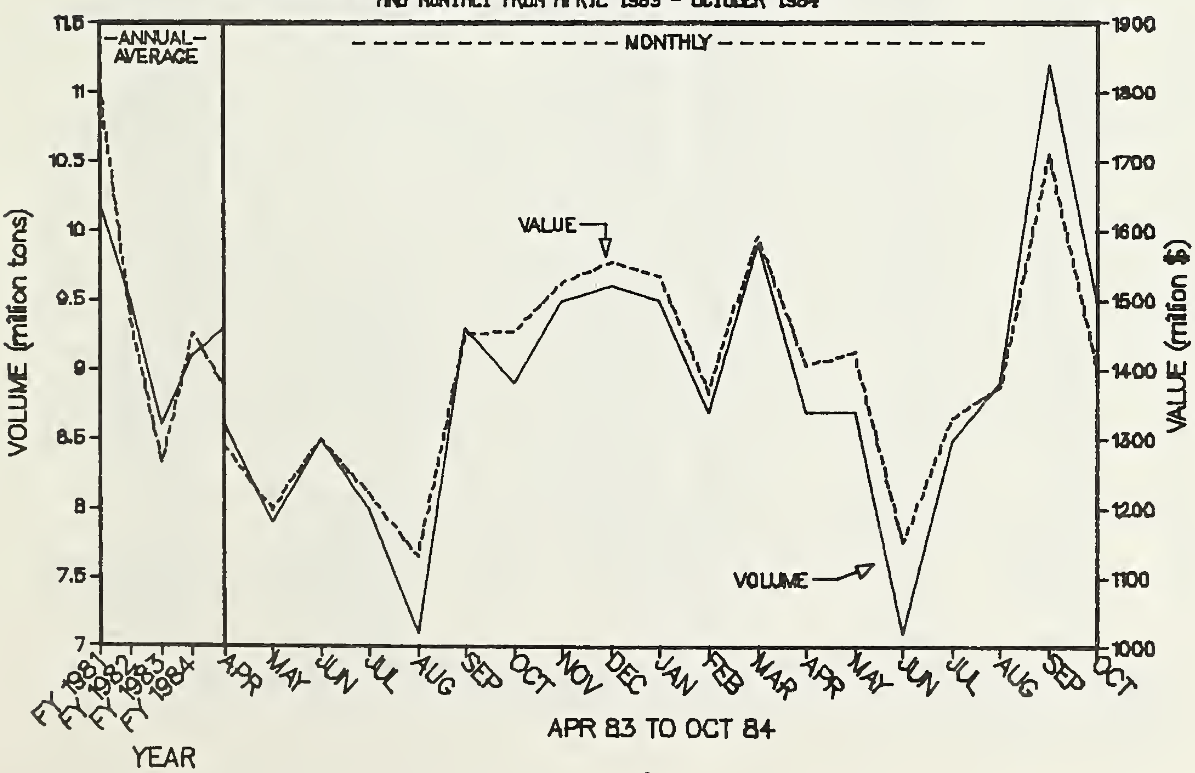
The U.S. wheat export forecast as of mid-December remained unchanged from the previous month, despite increased competition from Argentina and Canada in South America. The U.S. coarse grain forecast was also unchanged, but strong demand from Mexico along with reduced competitor availabilities are developments that could improve export prospects. The U.S. rice export forecast continues to be pressured from Thailand's lower prices for high quality parboiled rice, which means increased competition for the U.S. in Middle East and West Europe markets.

QUANTITY AND VALUE OF U.S. GRAIN AND FEED COMMODITY EXPORTS
IN FISCAL YEAR 1984 AND COMPARISON WITH PRECEEDING YEAR

	OCTOBER		CUMULATIVE OCT THRU SEPT		PROJECTED EXPORTS
	FY 84	FY 85	FY 83	FY 84	FY 85
WHEAT (grain only)					
Quantity (1000 tons)	3,125	3,737	36,699	41,700	39,650
Value Per Ton (dollars)	164	150	161	156	152
Value (in million dollars)	513	561	5,910	6,502	6,025
CORN (grain only)					
Quantity (1000 tons)	3,929	3,913	47,105	47,001	52,280
Value Per Ton (dollars)	148	132	121	149	129
Value (in million dollars)	582	517	5,717	7,022	6,744
SORGHUM (grain only)					
Quantity (1000 tons)	571	921	5,403	6,226	6,350
Value Per Ton (dollars)	145	115	122	133	122
Value (in million dollars)	83	106	661	829	775
BARLEY, OATS, AND RYE (grain only)					
Quantity (1000 tons)	180	193	973	2,074	2000
Value Per Ton (dollars)	128	117	121	133	125
Value (in million dollars)	23	23	118	277	250
TOTAL COARSE GRAINS (grain only)					
Quantity (1000 tons)	4,680	5,027	53,481	55,301	60,630
Value Per Ton (dollars)	147	128	121	147	122
Value (in million dollars)	688	646	6,496	8,128	7,769
RICE (grain only)					
Quantity (1000 tons)	210	159	2,209	2,212	2000
Value Per Ton	441	412	396	405	400
Value (in million dollars)	93	66	874	897	800
PULSES					
Quantity (1000 tons)	43	42	457	390	400
Value Per Ton (dollars)	422	458	415	451	450
Value (in million dollars)	18	19	190	176	180
FLOUR AND OTHER GRAIN PRODUCTS					
Quantity (1000 tons-gr. equiv)	297	193	3,499	2,642	2,300
Value Per Ton (dollars)	144	240	165	214	200
Value (in million dollars)	43	46	580	565	560
FORAGE, HAY, MIXED FEED AND GRAIN BYPRODUCTS					
Quantity (1000 tons)	568	381	6,991	6,845	7,000
Value Per Ton (dollars)	177	162	164	170	170
Value (in million dollars)	101	62	1,145	1,165	1,190
TOTAL VOLUME (in thousand tons)	8,922	9,539	103,337	109,089	111,980
TOTAL VALUE (in million dollars)	1,455	1,400	15,194	17,432	165,24

Source: US Census

MONTHLY EXPORT RATES FOR U.S. GRAIN AND FEED COMMODITIES
ANNUAL MONTHLY AVERAGES FOR FY 1981 - 1985 (proj)
AND MONTHLY FROM APRIL 1983 - OCTOBER 1984



WHEAT

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast: The U.S. wheat export estimate as of December remained unchanged at 41.5 million tons. Despite record world demand, wheat trade in 1984/85 is expected to be very competitive as many exporting countries are aggressively selling their increased supplies.

Shipments and Sales: Shipments of U.S. wheat for the week ending December 20 were one third greater than the previous 4 week average. Sales activity picked up slightly from the slow, seasonal pace of previous weeks, as new sales reported were double the prior 4 week average.

IMPORTER BUYING ACTIVITY

Buying activity picked up somewhat over the past month, with Japan, Korea, and Brazil being the major purchasers. Peru bought large quantities of wheat from Argentina for delivery through March, and Egypt covered a large portion of their 1985 flour import requirements with a sizable purchase from the European Community.

WHEAT AND FLOUR IMPORTER BUYING ACTIVITY
REPORTED BETWEEN NOVEMBER 28, 1984 AND DECEMBER 27, 1984

Approx. Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per ton)	Delivery Period 3/
12/17	Bangladesh	U.S.	96,000	#2 Soft Wheat	160.47 @ 161.84 C&F	Jan-April
11/29	Brazil	Argentina	100,000	Arg. Wheat	130.00 @ 130.50	April
	Brazil	U.S.	33,000	HRW 11%	154.97	April
12/6	Brazil	U.S.	165,000	HRW 11%	153.08 @ 154.73	Mar-April
	Brazil	Argentina	75,000	Arg. Wheat	121.50 @ 123.50	Apr-May
12/12	Brazil	Argentina	50,000	Arg. Wheat	117.50 @ 117.80	May
	Brazil	U.S.	66,000	HRW 11%	148.87 @ 149.40	May
12/14	Cyprus	EC	12,000	EC Wheat	136.40 C&F	Jan-Feb
12/26	Dom. Rep.	U.S.	18,000	HRS,HRW,SRW	Various	Dec-Jan
12/13	Egypt	EC	260,000	Wheat Flour	215.00 C&F	Jan-Apr
12/14	Greece	France	100,000	French Wheat	?	Jan-June
12/5	Japan	U.S.	38,400	WW,HRS	?	Feb
	Japan	Australia	65,600	ASW,PH	?	Feb
	Japan	Canada	34,070	CWRS	?	Feb
12/12	Japan	U.S.	101,700	WW,HRW,HRS	?	Feb
	Japan	Canada	32,300	CWRS	?	Feb
	Japan	Australia	32,500	ASW	?	Feb
12/19	Japan	U.S.	84,000	WW,HRS	?	Feb
	Japan	Canada	32,297	CWRS	?	Feb
12/4	Korea	Australia	40,000	Feed Wheat	124.45 C&F	Dec-Jan
12/12	Korea	U.S.	43,000	WW,HRS	Various	Jan
12/13	Korea	U.S.	51,000	WW,HRS	Various	Jan-Feb
	Korea	U.S.	66,500	HRW,HRS	Various	Jan-Feb
12/19	Korea	U.S.	30,000	WW,HRS	Various	Feb-March
	Korea	U.S.	28,000	WW,HRS	Various	Feb-March
12/26	Lebanon	Argentina	40,000	Arg. Wheat	?	Dec-Jan
	Lebanon	EC	10,000	EC Wheat	?	Dec-Jan
12/19	Norway	Canada	25,000	CWRS 13 1/2%	?	Jan-Feb
12/6	Peru	Argentina	50,000	Arg. Wheat	117.25	Dec-Jan
12/14	Peru	Argentina	50,000	Arg. Wheat	115.00 @ 116.50	Jan
12/26	Peru	Argentina	50,000	Arg. Wheat	114.50	Feb-Mar
12/6	Sri Lanka	Australia	17,500	ASW	154.15 C&F	Dec
11/30	Taiwan	U.S.	79,000	HRW,HRS	Various	Feb-June
12/7	Taiwan	Canada	81,000	CWRS #2	170.00 Vancouver	Apr-March
12/13	Turkey	U.S.	70,000	SRW	136.00 @ 139.25	Dec-Jan
12/10	Yemen	Australia	60,000	ASW	160.00 C&F	Jan-March
	Yemen	Canada	45,000	CWRS	158.00 C&F	Jan-March

1/ HRW=Hard Red Winter, HRS=Hard Red Spring, SRW=Soft Red Winter, HAD=Hard Amber Durum, WW=Western White ASW=Austrailian Soft White, CWRS=Canadian Western Red Spring, PH=Argentine Prime Hard
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

U.S. MARKET OPPORTUNITIES

**Jordan: Jordanian imports of wheat and corn from the United States in 1984/85 are expected to increase above last year's levels. Jordan's Ministry of Supply (MOS) wants to have a six-month supply of wheat in reserve at all times, and 1984/85 (July-June) wheat imports could reach 400,000 tons. The MOS has stopped buying Thai corn, reportedly due to quality problems. Jordan is forecast to import 340,000 tons of wheat and 100,000 tons of corn from the United States in 1984/85.

**Morocco: Demand for imported wheat will likely be higher in 1984/85 as a result of lower stocks and production along with higher domestic consumption. Imports are forecast to exceed 2.5 million tons in 1984/85 (July-June), with most coming from the United States. U.S. wheat exports to Morocco have risen steadily in the past 5 years, from less than 500,000 tons to over 2 million tons projected for the current July-June year.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**India: India has signed an agreement to supply the Soviet Union with 500,000 tons of wheat in 1985, as part of a trade protocol. The price and shipment schedule are not yet known. Although the Soviet Union has expressed an interest in buying much more than the agreed quantity, the Indian government has reportedly been reluctant to increase the quantity until 1985 production prospects are better known. India's wheat exports in 1984/85 (July-June) are expected to exceed 1 million tons.

**Argentina: Nearly 2 million tons of recent new-crop wheat export registrations by private exporters brings the total to 3.44 million tons, for shipment in the December-November 1984/85 marketing year. In addition, the Grain Board, whose sales are outside the registrations, recently announced a 1 million sale to Iran. Trade reports indicate that the Argentine Grain Board has just completed a sale of 300,000 tons of wheat to China and 1.5 million tons to the Soviet Union. The sale to China is Argentina's first there since 1983, while the Soviet purchases will raise their current marketing year wheat imports from Argentina to 2.8 million tons. Argentina also recently sold approximately 150,000 tons of wheat to Peru at prices which were as much as $40 per ton below the nearest U.S. offer. The table below shows United States and Argentine wheat exports over the past five July-June years.

	1980/81	1981/82	1982/83	1983/84	1984/85 (forecast)
	Million Tons				
Argentina	3.9	4.3	7.5	9.6	6.8
United States	41.9	48.8	39.9	38.9	41.5

**France: In 1984, soft wheat production jumped by 30 percent over the record outturn of the previous year. French wheat production has been expanding in recent years while domestic consumption has stagnated. Storage capacity is slated for expansion through a program partly financed by the French goevernment through grants, credit guarantees, and loans. The French government is expected to provide about 10-15 percent of the total costs of the project, which will add 2-2.5 million tons of storage in the coming year.

**Australia: The Australian Wheat Board (AWB) recently made offers to sell wheat on credit terms similar to GSM-102 in Colombia, Ecuador, and Chile. In each case, the quantities are believed to be around 100,000 tons and it was reported that the AWB said its wheat will be competitively priced in these markets with wheat from the United States.

**Australia: The Australian Wheat Board (AWB) shipped a record 14.2 million tons of wheat in their 1983/84 (October-September) marketing year, despite a significant slowdown in export volume at the port of New South Wales (NSW). Agreement has been reached at NSW on the introduction of a third shift, which will increase export capacity there by 1 million tons. Australian wheat production is forecast lower in 1984/85, but large beginning stock levels should mean no slack shipping periods this year, and exports are expected to reach 16 million tons during the current July-June period. Ending stock levels are also expected to remain high, and until further planned expansion in export terminal facilities takes place, the AWB should be exporting at or near capacity.

Competitive Developments In Selected Foreign Markets

**Taiwan: A sale of 81,000 tons of wheat has reportedly been made by the Canadian Wheat Board to Taiwan. The sale, to be delivered in three separate shipments, was for Western Red Spring, 13.5 percent protein and was priced at $170 per ton, f.o.b., with a guaranteed protein level. Taiwan is expected to import 790,000 tons of wheat in July-June 1984/85, 680,000 tons of it from the United States. While Taiwan's wheat imports from all sources have increased 200,000 tons in the past 5 years, the U.S. share has declined by approximately 12 percent.

**Japan: The Canadian Wheat Board announced the renewal of a one-year supply agreement with Japan. The agreement calls for the shipment of 1.3 million tons of wheat and 800,000 tons of barley during calendar year 1985. The amount of barley offered was reduced by 100,000 tons for 1985 because of lower Canadian production. Prices for the wheat and barley will be established under the weekly tenders held by the Japanese Food Agency.

**Indonesia: Wheat imports in 1984/85 (July-June) are expected to fall by about 12 percent to 1.5 million tons. Despite higher stock levels carried into this current marketing year, wheat imports have been declining because export flour sales and consumption levels have fallen sharply. A bumper rice harvest and higher domestic wholesale prices for flour are cited as reasons for lower demand for wheat.

Internal Price Policies of Foreign Countries

**United Kingdom: A tremendous increase in 1984 wheat production, mainly due to near perfect growing conditions and a continuing switch to higher yielding varieties, is pressuring domestic prices and enabling the U.K. to build an exportable surplus of almost 5 million tons. The brisk level of exports in the first 2 months of the U.K. marketing year has lagged noticeably, which raises the question of whether the growing surplus of wheat will continue to be exported, or sold to EC intervention. Sales to intervention stocks have thus far been similarly brisk but have lent little support to wheat prices, making exports more attractive at this time. Feed use of wheat is expected to rise somewhat as more is utilized in feed compounds at the expense of barley, but total consumption levels for wheat will depend on the amount of livestock grazing that can be done over the winter, and the availability and price of non-grain feed ingredients. With July-June 1984/85 exports forecast at 2.7 million tons (including intra-EC trade), the U.K. will carry over 3 million tons of stocks into the next marketing year.

**Major Exporters: The latest internal support prices for the principal world wheat exporters, on an individual marketing year basis, are listed below. Prices are not strictly comparable because of quality differences and because U.S., Argentine and EC prices are on a local delivery point basis. For example, in terms of quality differentials, the Canadian price is set for No. 1 CWRS, while No. 2 CWRS was discounted by approximately C$6 per ton and No. 3 CWRS by about C$11 per ton; No.1 CWRS has represented about 40 percent of Canadian wheat exports over the past 10 years. EC prices given below are for medium quality wheat in August and do not include monthly incremental storage payments.

MAJOR EXPORTER SUPPORT PRICES FOR WHEAT

Exporter	1983/84 U.S.$ Equivalent		1983/84 Local Currency	1984/85 U.S.$ Equivalent		1984/85 Local Currency
	per bu	per ton	per ton	per bu	per ton	per ton
U.S. (loan)	3.65	134	134 ($)	3.30	121	121 ($)
(reserve loan)	3.65	134	134	N/A	N/A	N/A
Argentina (reference)	2.67	98	3,060 pesos 1/	2.66	98	15,500 pesos 1/
Australia (min. pay.)	3.72	137	150 (A$)	3.41	125	146 (A$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
Canada (initial pay.)	3.75	138	170 (C$)	3.40	125	160 (C$)
(final pay.)	N/A	N/A	N/A	N/A	N/A	N/A
EC (intervention)	4.39	161	185 (ECU)	4.22	155	183 (ECU)
(reference)	5.10	187	215	4.93	181	213

1/ In new pesos, current season prices can be adjusted when necessary because of currency fluctuations. Caution should be taken when using this price in US$ equivalent, because of the volatility of the Argentine exchange rate. Current price as of December 20, 1984.

N/A Not available.

US WHEAT SHIPMENTS, SALES, AND INSPECTIONS 1/
(JUNE/MAY--MILLION TONS)

Monthly Shipments

4 Weeks Ending	1983/84	1984/85
Sep. 20	2.5	5.1
Oct. 18	2.9	4.5
Nov. 22	2.9	3.4
Dec. 20	1.6	1.9
Cumulative for MY......	17.6	24.1

Monthly Sales 2/

4 Weeks Ending	1983/84	1984/85
Sep. 20	5.4	4.0
Oct. 18	3.1	3.2
Nov. 22	2.0	2.4
Dec. 20	3.1	0.7
Cumulative for MY	24.0	30.4

Weekly and Annual Inspection Rates

	Million MT	Million BU
Week Ending December 13............	0.8	28.8
Week Ending December 20............	0.8	29.4
Official Estimate for Current MY (Grain only).......................	39.5	1450
Implied Weekly Average............	0.8	27.9
Latest Six Weeks Weekly Average.....................	0.7	25.1
Marketing Year-To-Date Weekly Average.....................	0.9	32.7
Weekly Avg. Extrapolated Annually..	46.3	1700
Balance of Year to Achieve Estimate Implied Weekly Average............	0.	21.9

1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.

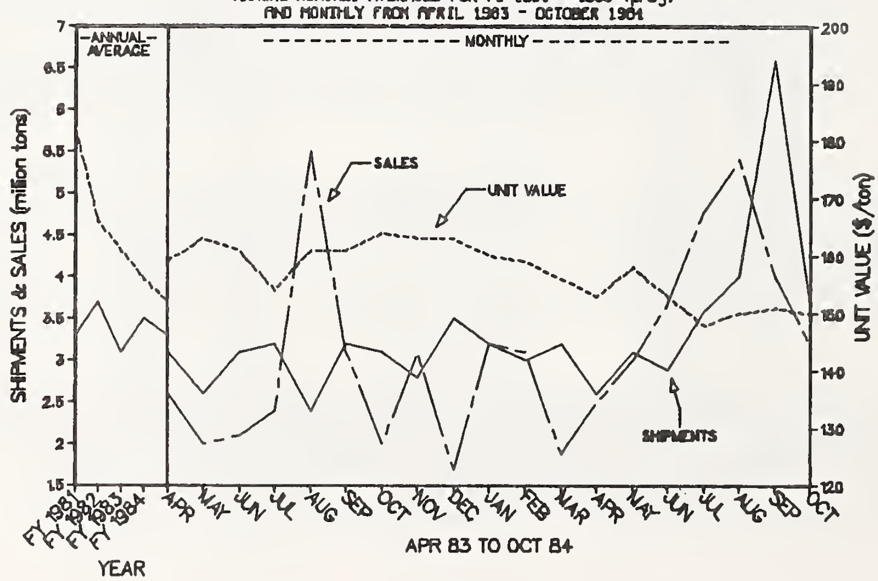
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.

WHEAT SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1983/84-1984/85
(JULY/JUNE--MILLION TONS)

	Canada		Australia		Argentina		France 2/		Total	
4 Weeks Ending 1/	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
Sept 20	2.0	2.3	.5	1.1	.5	.1	1.6	1.7	4.6	3.5
Oct. 25	1.8	1.3	.5	1.3	.5	.1	.5	N/A	3.3	2.7
Nov. 21	1.3	1.4	.6	N/A	.3	--	1.4	N/A	3.6	1.4
Dec. 20	1.6	1.3	.6	1.1	.3	.1	N/A	N/A	N/A	N/A
Cumulative since July 1	11.6	8.6	3.0	N/A	2.6	.4	2.8	N/A	19.6	N/A
Total for Season 3/	21.8	17.2	11.6	15.0	9.6	6.8	10.0	11.0	53.0	49.7

1/ Or nearest date thereto.
2/ Excludes intra-EC trade.
3/ Projection for 1984/85.
* Denotes less than 50,000 tons.

U.S. WHEAT SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1981 - 1985 (proj)
AND MONTHLY FROM APRIL 1983 - OCTOBER 1984



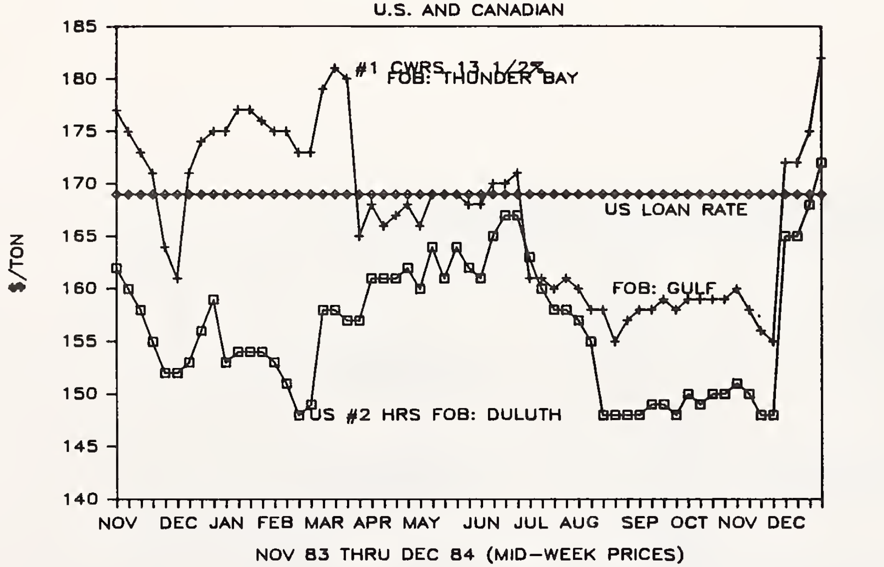
U.S. WHEAT EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
TOTAL EXPORTS FOR 1982/83-1983/84; COMMITMENTS TO DATE FOR 1984/85 WITH COMPARISON TO 1983/84
(JUNE/MAY--1,000 TONS)

Destination	Marketing Year	Hard Red Winter	Hard Red Spring	Soft Red	All White	Durum	Total Exports
EC-10	1982/83	3	1,162	35	53	495	1,748
	1983/84	3	1,218	2	--	263	1,491
	1983/84*	3	911	6	--	223	1,143
	1984/85**	--	605	7	--	162	774
Other W. Europe	1982/83	343	95	289	4	7	738
	1983/84	795	32	411	16	49	1,302
	1983/84*	244	21	255	8	26	580
	1984/85**	352	51	599	--	35	1,037
Eastern Europe	1982/83	--	--	122	--	74	196
	1983/84	--	--	283	--	72	355
	1983/84*	--	--	313	--	50	363
	1984/85**	--	--	--	--	32	32
USSR	1982/83	3,374	--	--	--	--	3,374
	1983/84	4,141	--	--	--	--	4,141
	1983/84*	3,178	--	--	--	--	3,178
	1984/85**	6,799	--	--	--	--	6,799
China	1982/83	386	--	4,938	--	--	5,324
	1983/84	1,368	--	1,549	--	--	2,917
	1983/84*	1,212	--	1,102	--	--	2,314
	1984/85**	105	--	2,902	--	--	3,007
Japan	1982/83	1,266	987	20	1,049	--	3,322
	1983/84	1,287	1,010	--	1,126	12	3,435
	1983/84*	945	726	--	818	6	2,495
	1984/85**	895	724	--	773	--	2,392
India	1982/83	2,480	--	--	1,405	--	3,885
	1983/84	198	--	--	968	--	1,166
	1983/84*	198	--	--	962	--	1,160
	1984/85**	--	--	--	--	--	--
Taiwan	1982/83	309	195	--	170	--	674
	1983/84	245	185	--	130	--	561
	1983/84*	288	178	--	128	--	594
	1984/85**	299	211	--	145	--	655
Rep. of Korea	1982/83	605	162	--	990	--	1,757
	1983/84	649	221	2	1,179	--	2,051
	1983/84*	460	154	2	856	--	1,472
	1984/85**	470	165	--	822	--	1,457
Other Asia, Middle East, and Oceania	1982/83	2,554	1,858	833	568	1	5,814
	1983/84	2,288	1,232	258	1,222	21	5,021
	1983/84*	2,061	857	197	727	20	3,862
	1984/85**	1,808	610	172	1,169	--	3,759
Egypt	1982/83	--	--	397	1,331	--	1,728
	1983/84	--	--	539	807	--	1,346
	1983/84*	--	--	499	227	--	726
	1983/84**	--	--	212	662	--	874
Nigeria	1982/83	918	242	81	--	--	1,241
	1983/84	1,278	265	88	--	--	1,631
	1983/84*	713	182	49	--	--	944
	1984/85**	647	211	61	--	--	919
Other Africa	1982/83	611	95	1,086	--	666	2,458
	1983/84	471	7	1,876	45	844	3,242
	1983/84*	297	4	945	3	580	1,825
	1984/85**	202	28	1,923	28	609	2,762
Brazil	1982/83	2,113	--	--	--	--	2,113
	1983/84	2,181	--	66	--	--	2,247
	1983/84*	1,997	--	66	--	--	2,063
	1984/85**	3,070	--	67	--	--	3,137
Other W. Hemis.	1982/83	2,172	1,464	559	8	271	4,474
	1983/84	2,223	1,477	514	48	296	4,558
	1983/84*	1,801	1,275	492	34	259	3,861
	1984/85**	1,584	1,063	370	139	236	3,392
Total 1/	1982/83	16,881	6,065	8,360	5,408	1,514	38,228
	1983/84	17,128	5,647	5,593	5,541	1,556	35,464
	1983/84*	13,428	4,427	4,121	3,959	1,288	27,223
	1984/85**	16,561	3,693	6,274	3,764	1,233	31,525
MY Projection 2/		21,364	5,851	7,212	5,443	1,633	41,504

1/ Discrepancies due to rounding and sales to unknown destinations.
2/ Projection for 1984/85, including flour and products.
* Sales plus accumulated exports as of December 22, 1983, excluding sales for next marketing year.
** Sales plus accumulated exports as of December 20, 1984, excluding sales for next marketing year.
Source: U.S. Export Sales

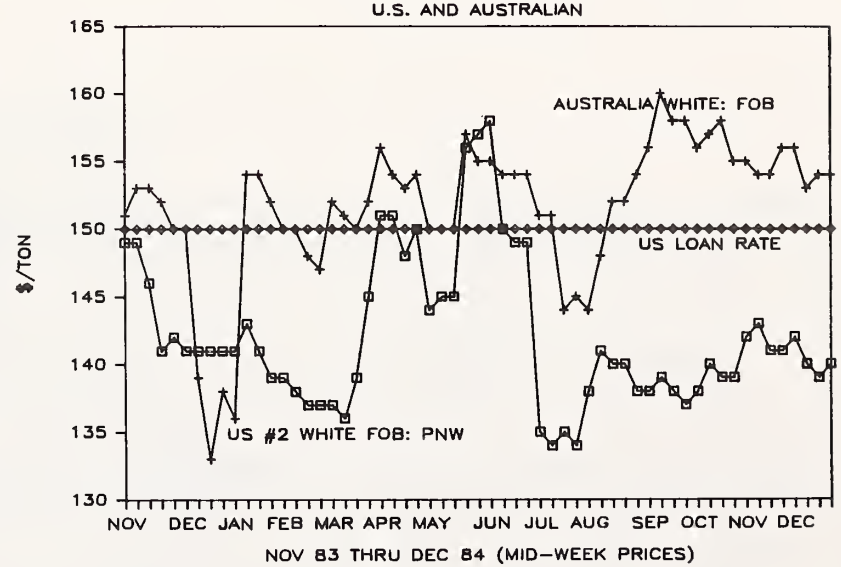
HARD RED SPRING WHEAT EXPORT PRICES

U.S. AND CANADIAN



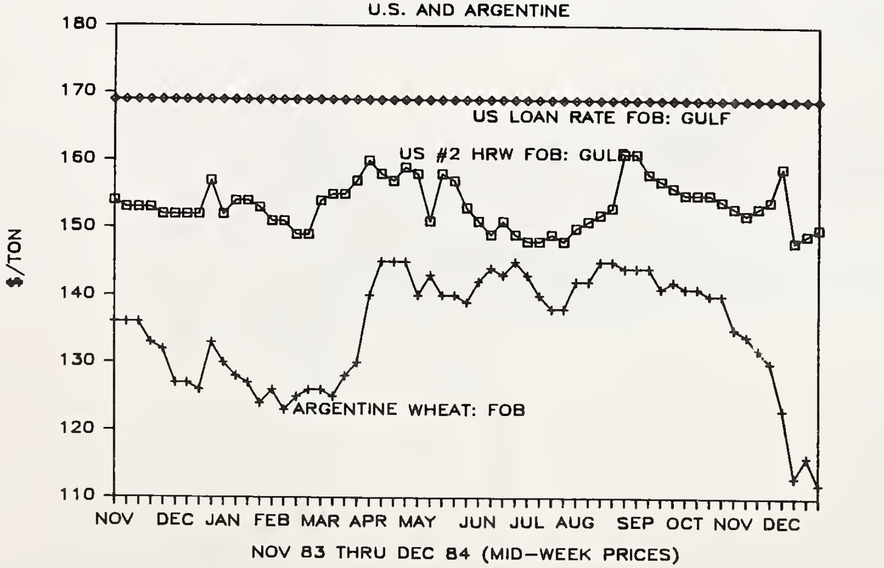
WHITE WHEAT EXPORT PRICES

U.S. AND AUSTRALIAN



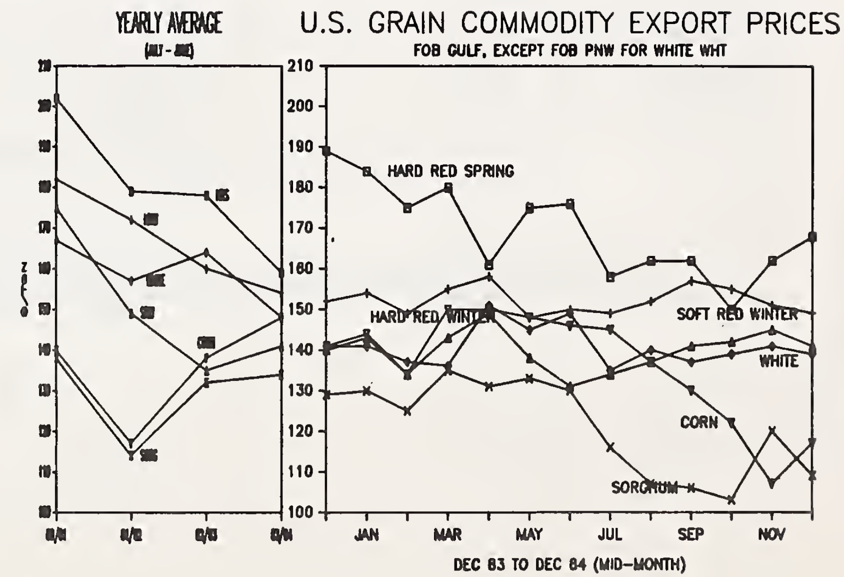
HARD RED WINTER WHEAT EXPORT PRICES

U.S. AND ARGENTINE



U.S. GRAIN COMMODITY EXPORT PRICES

FOB GULF, EXCEPT FOB PNW FOR WHITE WHT



U.S. EXPORT EXPANSION ACTIVITY

**CCC Credit:

U.S. WHEAT/WHEAT FLOUR TRADE WITH SELECTED COUNTRIES
UNDER CCC GUARANTEE PROGRAMS

	FY 1984		FY 1985 *		
	Total Exports	Estimated Exports Under CCC Programs	Announced	Approved	Estimated Quantity Yet To Be Purchased
	----------1,000 Tons--------		--Million Dollars--		------1,000 Tons------
Bangladesh	362	300	60	14.5	303
Brazil	2,097	2,914 1/	500	156.5	2,290
Chile	860	567	50	0	333
Colombia	531	566 1/	--	--	--
Costa Rica	124	--	--	--	--
Dominican Rep.	151	106	--	--	--
Ecuador	357	457 1/	52	0	347
Egypt	2,073	526	136	0	906
Guatemala	109	138	--	--	--
Haiti	107	33	--	--	--
Iraq	952	1,225 1/	190	26.5	1,080
Jamaica	112	100	--	--	--
Korea	1,798	864	110	24.4	571
Morocco	1,849	2,245 1/	250	0	1,667
Nigeria	1,372	--	--	--	--
Peru	642	507	--	--	--
Philippines	572	637 1/	--	--	--
Portugal	720	2,780 1/ 2/	117	9.3	718
Tunisia	430	691	120	--	750
Turkey	591	500	81	0	540
Yemen	86	--	--	--	--
TOTAL	15,895	15,156	1,666	240.7	9,451

* Includes GSM-102, GSM-5, and Blended Credit, as of December 7, 1984
1/ Exports under CCC programs exceed total FY 84 because some of the estimated shipments may have actually moved after September 30, 1984.
2/ Wheat or Feedgrains

**PL-480:

INITIAL FY 1985 PUBLIC LAW 480 TITLE I/III
COUNTRY AND COMMODITY ALLOCATIONS
(1,000 TONS GRAIN EQUIVALENT)

Country	$Million-Total	Wheat/Flour	Rice	Feedgrains
$805 or Less Per Capita GNP				
Bangladesh	75.0	219	67	--
Bolivia	20.0	125	--	--
Egypt	225.0	1,448 1/	--	--
El Salvador	32.0	138	--	--
Ghana	6.0	--	--	--
Guinea	6.0	--	19	--
Haiti	15.0	94	--	--
Honduras	15.0	94	--	--
Indonesia	40.0	250	--	--
Kenya	10.0	44	9	--
Liberia	16.0	--	50	--
Madagascar	11.0	--	30	--
Maldives	1.5	4	2	--
Mozambique	10.0	35	6	25
Pakistan	50.0	--	--	--
Senegal	8.0	6	13	25
Sierra Leone	4.0	13	6	--
Somalia	20.0	48 1/	22	--
Sri Lanka	26.0	163	--	--
Sudan	50.0	305 1/	--	--
Yemen	10.0	12 1/	9	--
Zaire	15.0	82 1/	--	14
Zambia	10.0	25	5	--
Subtotal	682.5	3,118	244	64
Over $805 Per Capita GNP				
Costa Rica	28.0	115	--	24
Dominican Republic	22.0	50	--	108
Guatemala	16.0	63	--	--
Jamaica	35.0	110 2/	19	48
Mauritius	3.5	12 1/	5	--
Morocco	45.0	310	--	--
Peru	20.0	50	--	--
Tunisia	5.0	31	--	--
Subtotal	174.5	741	24	180
Allocated 3/	857.0	3,859	268	244
Unallocated Reserve	242.5	--	--	--
TOTAL PROGRAM	1,099.5	--	--	--

1/ Wheat equivalent of flour or contains some portion of wheat equiv. of flour.
2/ Contains some portion of blended and/or fortified foods.
3/ Includes allocations for programs being developed.

WHEAT FLOUR AND PRODUCTS

Other Countries Selling Activity and Competitive Practices

**Canada: The Western Grain Transportation Act freight rates, or Crow's Nest Pass rates, were revised in August 1984 for the first time since before 1900. Under the revised Crow rates, western province grain producers will pay more for moving grain to export terminals, but still pay only an average of 16 cents per bushel. More importantly, under the new revision there are two features which are allowing Canadian flour mills to ship inexpensive byproducts to the United States: (1) there is a broader list of products eligible for these export freight subsidies (as opposed to primarily grains) and (2) the United States has, for the first time, been classified as an export destination eligible for these subsidized freight rates. One result is that inexpensive Canadian millfeed is moving into U.S. markets in the Pacific Northwest since the freight rate paid by Canadian mills is only 20 percent of the comparable U.S. rail rate for a similar distance.

Millfeed, a byproduct of the flour milling process, is a relatively low value commodity. This low value makes it impractical to ship over long distances, and as a result over the years, small isolated markets for millfeed were developed near flour mills. Under the revised rates, a substantial volume of Canadian millfeed is now entering the United States, apparently having a major effect on the price structure of U.S. millfeed markets in the Pacific Northwest. This distortion of trade is evidenced by the fact that U.S. mills are now uncompetitve in the very markets they have developed and supplied over many years.

CORN AND SORGHUM

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES

Export Forecast: The projected October-September 1984/85 corn export forecast remains at 52.7 million tons, but deteriorating crop prospects in Brazil and South Africa could bring additonal demand for U.S. corn. The U.S. sorghum export forecast is also unchanged at 6.4 million tons, but higher Mexican demand and lower Argentine supplies could later affect U.S. export levels.

Shipments and Sales: Shipments of U.S. corn picked up this past month, as the Soviet Union accelerated its import schedule. However, new sales activity for corn was the lowest this marketing year. Mexico's large sorghum purchase from the U.S. was the main reason sales activity reached record levels.

IMPORTER BUYING ACTIVITY

Substantial Mexican purchases of U.S. corn and sorghum was this month's highlight, along with Brazil's purchase of 200,000 tons. Portugal and Taiwan were also active, covering their January-February import requirements with purchases from the United States

RECENT CORN AND SORGHUM IMPORTER BUYING ACTIVITY
REPORTED BETWEEN OCTOBER 25, 1984 AND NOVEMBER 28, 1984

Date of Purchase	Buyer	Origin	Quantity (Tons)	Grade 1/	Price Range 2/ ($US per Ton)	Delivery Period 3/
11/28	Brazil	U.S.	200,000	#3 YC	?	Jan
11/30	Columbia	U.S.	20,000	#2 YS	127.95 C&F	Dec
11/30	Korea	U.S.	50,000	Corn	125.46	Dec-Jan
11/30	Korea	China	50,000	Corn	125.00 C&F	Jan-Feb
11/30	Korea	Thailand	15,000	Corn	109.30	Dec-Jan
11/28	Mexico	U.S.	390,000	#2 YC	?	Jan-Feb
12/19	Mexico	U.S.	348,000	#2 YS	?	Jan
12/14	Portugal	U.S.	95,000	YC	117.12	Jan
11/30	Taiwan	U.S.	219,500	#3 YC	126.08 @ 130.17	Jan-Feb

1/ YC=Yellow Corn and YS=Yellow Sorghum.
2/ FOB unless otherwise noted.
3/ FH denotes first half; LH, last half.

SOURCE: Unofficial market news reports.

US CORN AND SORGHUM SHIPMENTS, SALES AND INSPECTIONS 1/
(OCTOBER/SEPTEMBER--MILLION TONS)

Monthly Shipments	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
Sept. 20	3.3	2.4	.5	.4
TOTAL FOR MY	48.0	47.1	5.7	6.4
	83/84	84/85	83/84	84/85
Nov. 22	6.6	6.6	.7	.7
Dec. 20	6.9	4.3	.6	.4
TOTAL FOR MY	13.5	12.6	1.6	1.8
Monthly Sales 2/	CORN		SORGHUM	
4 Weeks Ending	82/83	83/84	82/83	83/84
Sept. 20	4.8	3.5	.3	.5
TOTAL FOR MY	49.4	48.5	5.9	6.8
	83/84	84/85	83/84	84/85
Nov. 22	4.3	3.1	1.0	.7
Dec. 20	3.7	2.0	1.0	.4
TOTAL FOR MY	27.1	23.9	3.1	3.0

Weekly and Annual Inspection Rates	CORN		Sorghum	
	MT	BU	MT	BU
Week Ending December 13............	1.2	45.4	.13	5.3
Week Ending December 20............	1.5	58.0	.27	10.8
Official Estimate for Current MY				
(Grain only)......................	52.3	2058	6.35	250
Implied Weekly Average............	1.0	39.6	.12	4.8
Latest Six Weeks				
Weekly Average....................	1.4	55.3	0.16	6.3
Marketing Year-To-Date				
Weekly Average....................	1.2	47.8	0.20	7.7
Weekly Avg. Extrapolated Annually..	63.1	2486	10.2	400
Balance of Year to Achieve Estimate				
Implied Weekly Average............	0.9	37.1	0.10	3.9

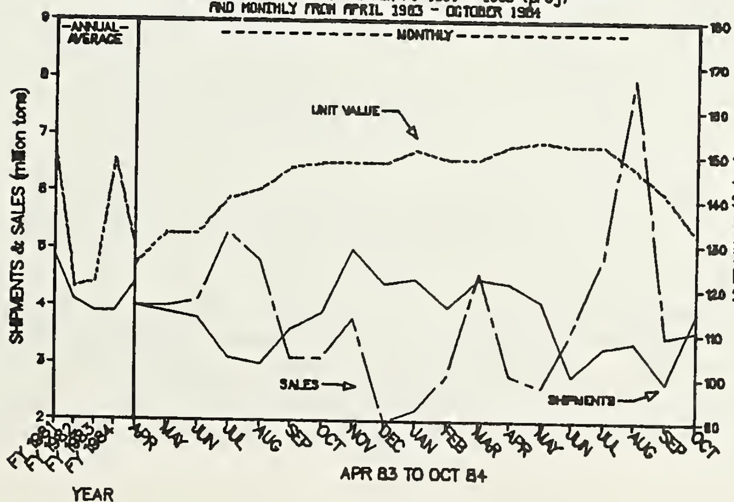
1/ Shipments and sales data from U.S. Export Sales. Inspections data from Federal Grain Inspection Service.
2/ Sales made since the beginning of the applicable marketing year, including sales for shipment in the next marketing year.
Source: Export Sales; FGIS

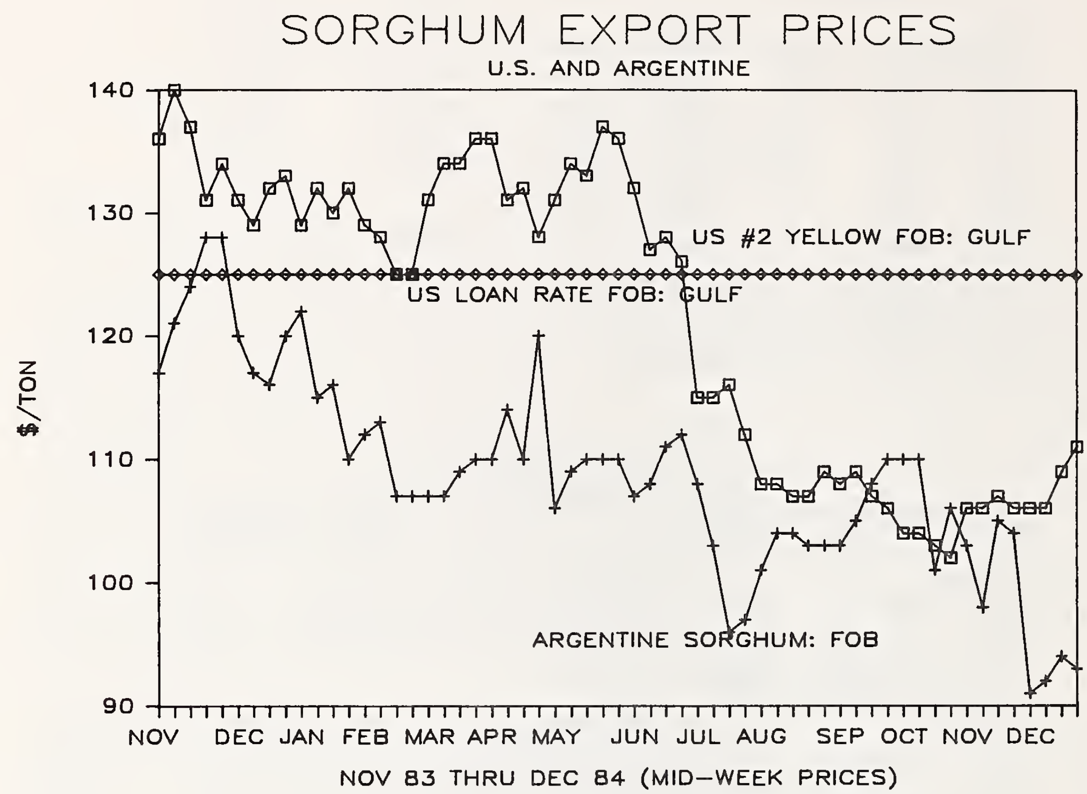
CORN AND SORGHUM SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1982/83-1983/84
(OCTOBER/SEPTEMBER--MILLION TONS)

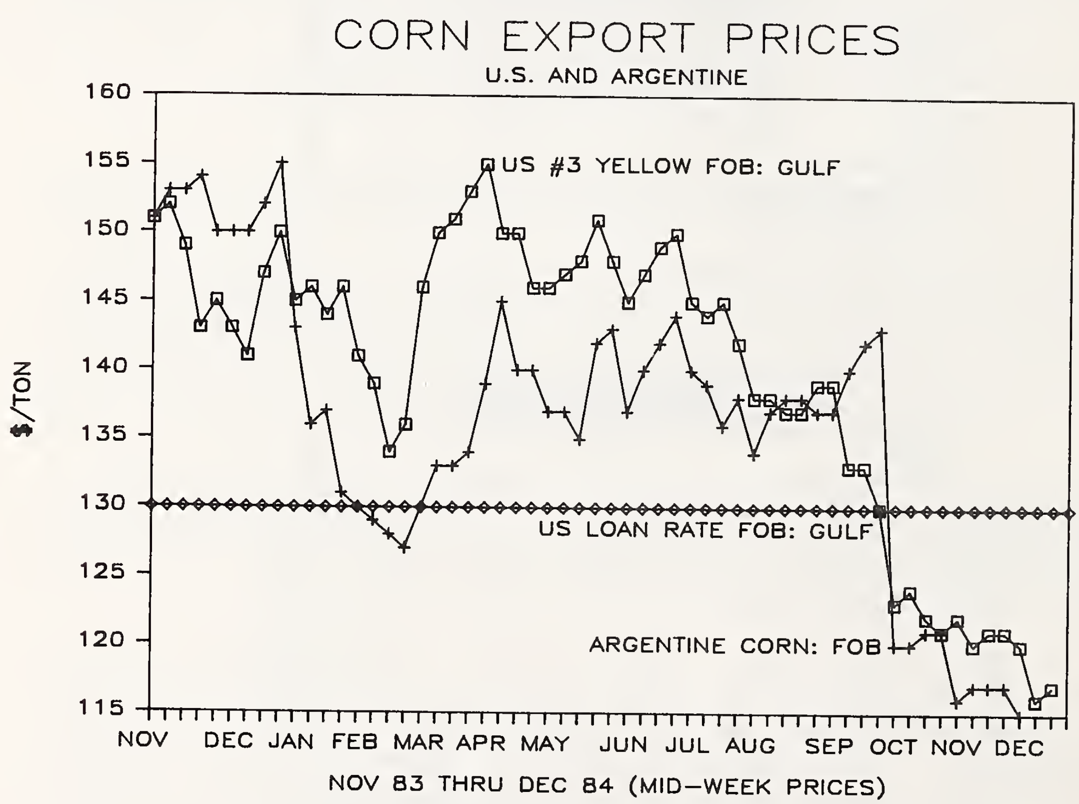
	SORGHUM		CORN					
	Argentina		Argentina		Thailand		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
Sept 20	.2	.2	.5	.3	.3	.1	1.0	.6
TOTAL FOR SEASON	4.9	4.8	6.4	5.9	2.1	3.0	13.4	13.7
4 Weeks Ending	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
Oct. 18	.4	.2	.3	.2	.4	.5	1.1	.9
Nov. 22	.3	-	.2	.6	.4	.3	.9	.9
Dec. 20	.1	.4	.2	.9	.4	.4	.7	1.7
Cumul. in MY	.8	.6	.7	1.2	1.2	1.8	2.7	3.0
TOTAL FOR SEASON 2/	4.8	4.8	5.9	6.5	3.0	3.1	13.7	14.1

N/A Not available
1/ Or nearest date thereto.
2/ Projection for 1984/85.

U.S. CORN SHIPMENTS, SALES AND UNIT VALUE
ANNUAL MONTHLY AVERAGES FOR FY 1981 - 1985 (proj)
AND MONTHLY FROM APRIL 1983 - OCTOBER 1984




SORGHUM EXPORT PRICES
U.S. AND ARGENTINE
140
130
120
110
100
90
$/TON
US #2 YELLOW FOB: GULF
US LOAN RATE FOB: GULF
ARGENTINE SORGHUM: FOB
NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
NOV 83 THRU DEC 84 (MID-WEEK PRICES)


CORN EXPORT PRICES
U.S. AND ARGENTINE
160
155
150
145
140
135
130
125
120
115
$/TON
US #3 YELLOW FOB: GULF
US LOAN RATE FOB: GULF
ARGENTINE CORN: FOB
NOV DEC JAN FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC
NOV 83 THRU DEC 84 (MID-WEEK PRICES)

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

Other Exporting Countries Selling Activity and Competitive Practices

**China: South Korean feed millers and corn processors have purchased over 600,000 tons of Chinese corn in the past 6 months, and purchases of non-U.S. origin feed grains are expected to continue in 1985. In most Korean tenders since June, Chinese corn was priced about $6-$13 under corn offered from the United States. The quality of the corn is reported as highly variable, even within one shipload, but the consensus of Korean importers is that it is generally satisfactory. Korea has stated its desire to diversify the source of its commodity imports, as evidenced by substantial purchases of Australian feed wheat and corn from Thailand and Vietnam.

Competitive Developments in Selected Foreign Markets

**West Germany: High moisture levels in French corn imports are affecting quality and will mean increased German demand for third-country (i.e., non-EC) corn. The United States is expected to meet part of this additional demand, but Argentine Plata corn is reportedly of high quality and has met West German specifications. Despite slightly higher production in 1984/85 (August-July), domestic feed consumption is forecast to be up sharply over last year, and will require corn imports of about 1.7 million tons. If French corn quality problems continue, the United States will be competing with Argentina for the additional feed demand in Germany usually met by corn imports.

BARLEY, OATS AND RYE

U.S. EXPORTS OF BARLEY, OATS AND RYE
JUNE/MAY--1,000 TONS

Grain	1982/83	1983/84 1/	1984/85 2/
Barley	1,028	2,000	1,525
Oats	43	29	43
Rye	5	25	25

1/ Estimated.
2/ Projected.

Other Exporting Countries Selling Activity and Competitive Practices

**EC: The EC continues to aggressively export barley, with export authorizations of 3.4 million tons through the first 5 months of marketing year 1984/85, compared to only 600,000 tons authorized at this time last year. The EC is expected to export a record 5.6 million tons of barley during their current August-July marketing year.

**Australia: Last year's (November-October 1983/84) barley production was revised downward by the Australian Bureau of Statistics (ABS) to just under 5 million tons. Good export movement and strong domestic use also caused a revision in stock levels, which were lower than expected coming into the 1984/85 Australian marketing year. However, preliminary ABS estimates of the area sown this growing season are well above earlier expectations, and this coupled with higher yield potential due to favorable weather conditions indicates that 1984/85 barley production could reach a record level of over 5 million tons. With total domestic use expected to increase only slightly, record production in 1984 would push exports above last year's level of 3.7 million tons.

BARLEY SHIPMENTS BY MAJOR EXPORTING COUNTRIES
RECENT MONTHS AND SEASON TOTALS FOR 1981/82-1983/84
(OCTOBER/SEPTEMBER—MILLION TONS)

	U.S.		CANADA		FRANCE 2/		U.K. 2/		Total	
4 Weeks Ending 1/	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84	82/83	83/84
July 19	*	*	.4	.3	.1	*	*	*	.5	.3
August 23	*	.1	.6	.3	.1	N/A	.1	N/A	.8	N/A
September 20	*	*	.9	.2	*	N/A	*	N/A	*	N/A
Total for Season	1.0	2.0	6.2	4.3	1.1	1.0	1.4	1.4	9.7	8.7
4 Weeks Ending	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85	83/84	84/85
October 18	.3	.2	.5	N/A	.1	N/A	*	N/A	.9	N/A
November 21	.2	.2	.4	.3	.1	N/A	*	.1	.7	N/A
Total for Season 3/	2.0	2.2	4.3	3.0	1.0	2.5	1.4	2.5	8.7	9.2

1/ Or closest date thereto.
2/ Excludes intra-EC trade; Cumulative reflects available data.
3/ Projection for 1984/85.
N/A Not available.
* Less than 50,000 tons.

U.S. BARLEY EXPORTS BY DESTINATION
(JUNE/MAY--1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 12/22/83 1/	Committed as of 12/20/84 1/
EC	301	112	360	360	105
Other W. Europe	472	226	441	202	354
Eastern Europe	111	—	126	125	—
Taiwan	373	146	223	210	282
Japan	336	119	372	281	314
Canada	128	—	—	—	—
Others	546	317	509	552	468
Total	2,267	920	2,033	1,730	1,523

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. OATS EXPORTS BY DESTINATION
(JUNE/MAY—1,000 TONS)

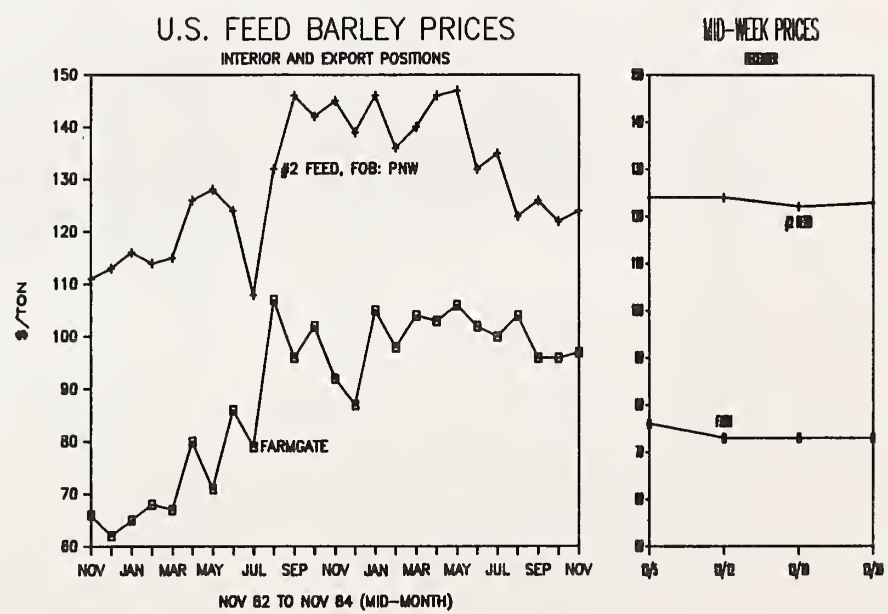
			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 12/22/83 1/	Committed as of 12/20/84 1/
EC	4	--	5	5	--
Canada	1	--	--	--	--
Mexico	16	--	--	--	--
Venezuela	10	1	--3	--	1
Others	87	3	1	3	--
Total	118	4	9	8	1

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.

U.S. RYE EXPORTS BY DESTINATION
(JUNE/MAY—1,000 TONS)

			1983/84		1984/85
Destination	1981/82	1982/83	Total Exports	Committed as of 12/22/83 1/	Committed as of 12/20/84 1/
EC	1	--	3	--	--
Other W. Europe	13	--	--	--	--
Canada	15	--	--	--	--
Others	9	--	20	20	--
Total	38	--	23	20	--

1/ Accumulated shipments and sales excluding sales for next marketing year.
SOURCE: U.S. Census for 1981/82-1982/83 and U.S. Export Sales for 1983/84-1984/85.



BEANS, PEAS, AND LENTILS

United States dried bean exports in September-August 1983/84 were approximately 236,000 tons, compared to the 1982/83 total of around 284,000 tons. Census Bureau data indicates that while demand for U.S. Pinto beans was sharply higher in 1983/84, this was more than offset by a decrease in demand for U.S. Navy and Great Northern beans. The biggest geographical market for U.S. dried beans continued to be the European Community, and the biggest single markets were the United Kingdom and Japan. The table below shows 1983/84 U.S. dried bean exports by destination, compared with total exports during the previous marketing year.

U.S. EXPORTS OF DRIED BEANS
(SEPTEMBER-AUGUST 1983/84—METRIC TONS)

	Navy/ Pea	Great Northern	Lima	White Nec	Red Kidney	Pinto	Black Turtle	Other Colored	Black-eye	Country Totals 1983/84	Country Totals 1982/83
North America:											
Canada	7,549	245	316	479	6,259	88	102	2,018	433	17,491	16,748
Costa Rica	—	20	9	7	22	11	3,413	9	6	3,498	20
French West Indies	—	—	—	—	1,128	—	—	12	—	1,140	1,602
Haiti	—	—	—	—	—	627	18	1	—	647	350
Mexico	3	6	—	3	—	320	—	16	22	370	360
Nicaragua	—	—	—	—	1,478	—	—	2,051	—	3,529	—
Panama	68	25	119	—	915	121	49	1,805	124	3,226	7,295
Trinidad & Tobago	33	20	15	—	848	10	118	89	586	1,718	2,397
South America:											
Brazil	—	—	—	—	13	—	—	4,965	—	4,978	3,951
Colombia	—	—	—	—	5	4	13	4,714	2	4,738	7,965
Venezuela	70	1,388	43	244	1,705	207	4,894	3,457	984	12,991	6,522
Europe:											
Belgium	1,928	1,788	—	107	54	37	—	233	140	4,288	11,306
France	1,202	11,138	—	38	792	—	—	406	169	13,744	18,008
West Germany	1,154	1,549	—	196	243	77	—	333	—	3,551	12,351
Ireland	945	—	—	—	—	—	—	—	—	945	1,046
Italy	515	123	18	876	81	765	162	3,541	386	6,467	11,853
Netherlands	1,115	822	1,088	631	96	298	855	14,221	348	19,474	29,226
Spain	73	127	17	—	36	—	53	787	405	1,499	5,851
Switzerland	177	409	18	—	283	—	31	340	—	1,257	4,772
United Kingdom	43,873	340	2,377	236	3,919	171	89	811	2,584	54,400	63,491
Asia:											
Hong Kong	40	18	1	1	71	—	55	147	564	898	1,013
Japan	551	8,390	10,272	1,222	1,683	694	430	3,498	—	26,739	21,605
Kuwait	—	—	—	70	25	—	38	724	123	980	896
Malaysia	36	508	—	89	—	—	18	—	71	721	803
Philipines	18	718	—	35	—	—	—	159	—	931	739
Saudi Arabia	40	1	11	—	194	14	55	573	239	1,126	1,709
U.A.E.	—	—	—	—	49	—	35	31	496	611	916
Oceania:											
Australia	1,586	1,167	420	11	260	94	60	1,028	112	4,738	4,428
New Zealand	252	39	56	—	57	31	4	343	5	786	390
Africa:											
Algeria	—	9,040	—	—	—	—	—	—	—	9,040	20,761
Angola	—	—	—	—	—	18,894	—	—	—	18,894	9,609
South Africa	1,458	142	—	196	—	—	35	849	35	2,715	2,495
West Africa NEC	—	—	—	—	—	1,998	204	—	—	1,998	—
Others:	342	468	493	300	931	515	204	1,488	874	5,615	13,593
Totals 1983/84:	63,028	38,491	15,273	4,741	21,147	24,976	10,731	48,649	8,708	235,744	—
Totals 1982/83:	89,145	68,841	16,256	4.491	20,537	14,301	1,148	56,392	12,960	—	284,071

Source: Bureau of the Census. Compiled by Grain & Feed Division, FAS/USDA December 1984.

RICE

LATEST U.S. EXPORT FORECAST, SHIPMENTS AND SALES 1/

Export Forecast. The forecast for U.S. exports in 1984/85 (August/July) remains unchanged from last month at 2.05 million tons. Weak world import demand and ample supplies of cheaper rice from other countries are expected to continue to hamper U.S. exports.

Shipments and Sales. U.S. rice exports during the 4-week period ending December 20 fell sharply to only 81,900 tons, compared to the previous 4-week total of 157,500 tons. Iraq and Saudi Arabia were the only major destinations. Shipments for the 1984/85 marketing year through December 20 totaled 782,300 tons, over 19 percent below the level of shipments during the same period one year ago. Export sales registrations for the 4-week period ending December 20 also fell sharply to only 34,000 tons, compared to the previous 4-week total of 85,000 tons. Export registrations for the year to date totaled 1.07 million tons, falling 20 percent below the year-earlier level of 1.34 million tons.

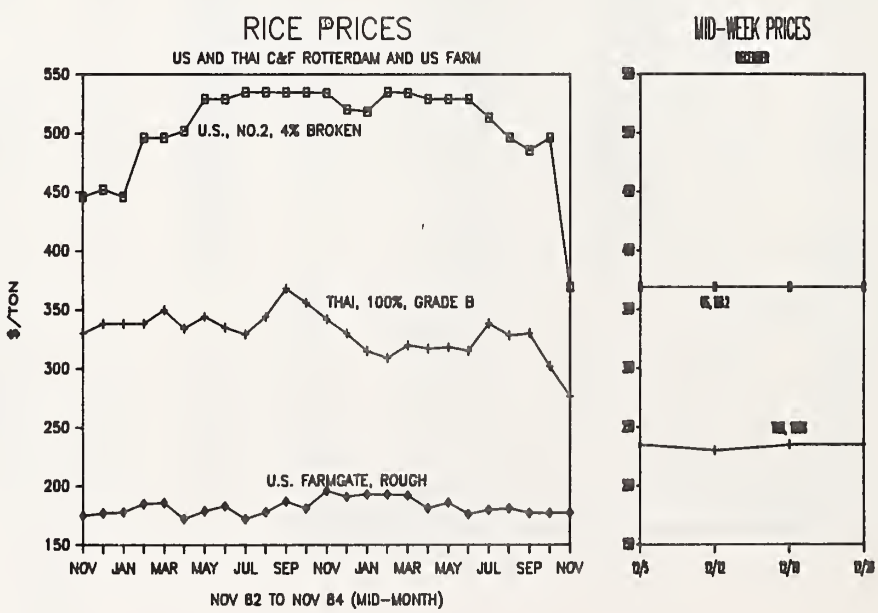
1/ Shipments and sales data are on a product basis.

IMPORTER BUYING ACTIVITY

Import demand was weak during the past month, with relatively small volumes being traded. Madagascar, Italy and Syria were the major buyers.

OTHER DEVELOPMENTS AFFECTING U.S. EXPORTS

World prices remained depressed during the month, although Thai prices strengthened somewhat, probably on the basis of speculative buying by the private trade. As of December 27, Thailand's Board of Trade (BOT) posted prices were \$235 per ton for 100% B and \$232 per ton for parboiled 5%, while actual export prices were reported to be \$210 per ton and \$198 per ton, respectively.



OTHER EXPORTING COUNTRIES SELLING ACTIVITIES AND COMPETITIVE PRACTICES

**Thailand: Exports began to pick-up during the past month, marked by heavy shipments to Iran and the resumption of shipments to Nigeria. Total exports through December 15 were 4.33 million tons, 22 percent higher than the level of exports for the same period last year. At the current pace total exports for CY 1984 should easily top 4.4 million tons.

WEEKLY THAI RICE EXPORTS

Week Ending	Actual	4-Week Moving Avg.
November 24	99,765	68,787
December 1	89,543	81,983
December 8	37,472	75,718
December 15	84,389	77,792

New sales were again slow during the past month. As of December 19, outstanding export commitments for delivery in CY 1984 were reported to total 261,291 tons. Export commitments for CY 1985 delivery are estimated at 561,211 tons, compared to 653,000 tons sold by this date one year ago.

Reflecting growing concern over current low export and farm prices, the government reportedly is taking steps to bolster rice prices. The Council of Economic Ministers has apparently adopted a plan suggested by the Minister of Commerce which calls for export quotas based on exporter's stockholdings of rice. Total monthly export quotas will be set, with individual quotas determined by the level of each exporter's rice stocks as a percentage of total private stocks. However, since the quotas reportedly will be set at levels high enough not to restrict exports, it is not clear how the scheme will improve export prices.

In a related scheme designed to boost farm prices, the Council of Economic Ministers has agreed to an allocation of 1.0 billion baht, interest free, to the Farmer's Aid Fund. This money will be combined with an additional 1.0 billion baht provided by financial institutions to be loaned to rice mills at 9 percent per annum for the purchase of paddy from Thai farmers. It is hoped that this scheme will stimulate purchases of paddy and farm prices which have been depressed due to slow export sales.

**Pakistan: The procurement target for the 1984/85 rice crop has been set at 1.2 million tons, compared to actual 1983/84 procurement of 1.12 million tons. Procurement of basmati is expected to reach 350,000 tons, up sharply from the 250,000 tons procured last year, while the procurement of IRRI-rice should be about the same as last year. No new sales have been reported, although the chairman and director of the Rice Export Corporation of Pakistan (RECP) traveled to Saudi Arabia in early December to negotiate sales from the 1984/85 crop.

**Burma: The Myanma Export Import Corporation (MEIC) is reported to have set a first quarter sales target of 250,000 tons. MEIC apparently sought bids on 120,000 tons of new crop 35% in early December, but there were no takers. Burma reportedly has also made some inquiries on government-to-government sales, but no new business has been reported since September.

Exports in November reportedly fell to only 16,500 tons, primarily due to a slow-down in liftings of outstanding contracts by foreign buyers. At the end of November, total exports were estimated at 692,000 tons, with outstanding sales from 1983/84 crop of about 44,000 tons.

RECENT RICE IMPORTER BUYING ACTIVITY
REPORTED BETWEEN NOVEMBER 26 AND DECEMBER 28, 1984

Buyer	Origin	Quantity 1,000 Tons	Quality 1/	Price $/MT 2/	Delivery Period	Date of Report
Benin/Nigeria	Thailand	5.5	P 5%	N/A	N/A	12/3
Djibouti	Thailand	8.5	P 10%	N/A	N/A	12/3
Dubai	Thailand	5.0	100% B	N/A	N/A	12/3
Iran	Thailand	15.6	100% C	N/A	N/A	Various
Italy	Thailand	8.0	100% B	N/A	N/A	12/3
	Thailand	5.0	B/P 100%	217	Dec	12/3
	Thailand	7.0	B 100%	187	Dec	12/3
	Thailand	7.0	B 100%	195	Dec	12/3
	Thailand	30.0	10%	N/A	N/A	12/14
	Thailand	1.2	B 100%	N/A	N/A	12/21
Madagascar	Thailand/Asia	50.0	A-1 S/35%	N/A	Jan/May	12/14
	U.S.	42.1	#5/20% MG	258-264 3/	Jan/Apr	12/28
Reunion	Thailand	6.3	P 5%	N/A	N/A	12/3
Senegal	Thailand	15.0	A-1 Spec	165	N/A	12/14
Singapore	Thailand	1.4	25% S	N/A	N/A	12/3
Somalia	Thailand	2.0	P 10%	N/A	N/A	12/3
Spain	Thailand	1.0	100% B	N/A	N/A	12/21
Syria	Thailand	12.0	100% C	235 4/	Feb	12/14
	Thailand	12.0	100% C	236 4/	Mar	12/14
Tanzania	Thailand	1.2	P 5%	N/A	N/A	12/3
Togo	Thailand	12.0	35%	N/A	N/A	12/21
W. Africa	Thailand	20.0	35%	N/A	Dec/Jan	12/3
	Thailand	10.0	35%	185	Dec/Jan	12/14
	Thailand	10.0	A-1 Spec	N/A	N/A	12/14
Zaire	Thailand	3.0	15%	N/A	N/A	N/A

1/ P = Parboiled, LG = Long Grain, MG = Medium Grain, SG = Short Grain, B/ = Brown, F = Fragrant, L/Bld = Long, Boiled, F/Bld = Full Boiled
2/ F.o.b. basis unless otherwise indicated. Price information is in many cases unconfirmed and as reported through unofficial market sources.
3/ FAS
4/ C&F
N/A Not available.

U.S. RICE EXPORT COMMITMENTS BY CLASS TO MAJOR DESTINATIONS
FOR 1981/82-1983/84, AND AUGUST 1 THROUGH OCTOBER 20 for 1984/85
(AUGUST/JULY--1,000 TONS)

Destination	Marketing Year	Long Grain Milled	Long Grain Brown 2/	Other 1/ Milled	Other 1/ Brown 2/	Total Exports
EC 10	1981/82	2	310	56	192	560
	1982/83	1	214	15	--	230
	1983/84	29	192	2	70	293
	1984/85	11	139	5	34	188
Other W. Europe	1981/82	58	76	4	28	166
	1982/83	33	54	3	4	93
	1983/84	23	35	3	138	199
	1984/85	17	17	3	20	57
E. Europe & USSR	1981/82	*	--	*	--	*
	1982/83	*	--	*	--	*
	1983/84	--	--	--	--	--
	1984/85	--	--	--	--	--
Iran	1981/82	85	--	--	--	85
	1982/83	--	--	--	--	--
	1983/84	--	--	--	--	--
	1984/85	--	--	--	--	--
Iraq	1981/82	270	--	*	--	270
	1982/83	327	--	*	--	327
	1983/84	230	--	2	--	232
	1984/85	274	--	1	--	276
Saudi Arabia	1981/82	250	--	15	--	265
	1982/83	267	--	2	--	269
	1983/84	253	--	6	--	253
	1984/85	139	--	1	--	141
Other Middle East	1981/82	106	8	17	3	135
	1982/83	48	--	2	--	50
	1983/84	40	--	12	--	52
	1984/85	15	--	2	--	16
Republic of Korea	1981/82	--	--	*	339	339
	1982/83	--	--	*	213	213
	1983/84	--	--	*	112	112
	1984/85	--	--	--	--	--
Other Asia & Oceania	1981/82	4	--	38	--	43
	1982/83	2	--	129	--	132
	1983/84	3	--	140	--	143
	1984/85	3	--	18	--	21
Nigeria	1981/82	347	--	--	--	347
	1982/83	159	--	--	--	159
	1983/84	63	--	--	--	63
	1984/85	*	--	--	--	*
Other Africa	1981/82	116	117	84	4	320
	1982/83	148	110	153	4	414
	1983/84	95	150	136	--	381
	1984/85	100	30	57	--	188
W. Hemisphere	1981/82	129	25	12	15	181
	1982/83	137	23	86	38	284
	1983/84	156	24	109	14	303
	1984/85	82	21	8	19	130
Total 3/	1981/82	1,379	535	228	581	2,723
	1982/83	1,148	400	392	259	2,198
	1983/84	900	401	408	338	2,043
	1984/85	655	207	95	109	1,066

* Less than 500 tons.
1/ Includes medium, short, and mixed.
2/ Data not converted to a milled equivalency. Includes rough rice.
3/ Discrepancies due to rounding and changes to unknown destinations.
SOURCE: U.S. Export Sales

U.S. EXPORT EXPANSION ACTIVITIES

**GSM-102: As of December 14, Iraq and Pakistan had unused credit guarantees of $154.5 million and $15 million respectively.

**PL-480: Agreements were signed with Madagascar and Jamaica during the past month. Madagascar purchased about 42,000 tons of rice under the new agreement.

This circular was prepared by the Grain and Feed Division, Commodity Programs, FAS/USDA, Washington, D.C. 20250, Tel. (202) 447-2009.

U.S. WHEAT PROGRAMS

	1983 Program Equivalent: Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent: Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent: Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Trigger Release Price	$200	$4.45	--	-- 2/	--	--
Target Price	$195	$4.30	$198	$4.38	$198	$4.38
Loan (Reserve)	$171	$3.65	--	--	--	--
National Loan	$171	$3.65	$158	$3.30	$158	$3.30
Season Average Producer Price	$167	$3.54	$160-167	$3.35-3.55 3/	--	--
Current Farm Price	--	--	$160	$3.35 3/	--	--
Paid Diversion	$136	$2.70	$136	$2.70	$136	$2.70

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $1.00/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of December 27, 1984.

U.S. CORN PROGRAMS

	1983 Program Equivalent Export Price 1/ ($/Ton)	1983 Program Farm Price ($/BU)	1984 Program Equivalent Export Price 1/ ($/Ton)	1984 Program Farm Price ($/BU)	1985 Program Equivalent Export Price 1/ ($/Ton)	1985 Program Farm Price ($/BU)
Trigger Release Price	$159	$3.25	--	-- 2/	--	--
Target Price	$144	$2.86	$151	$3.03	$151	$3.03
Season Average Producer Price	$157	$3.20	$136-$148	$2.65-$2.95	--	--
Current Farm Price	--	--	$130	$2.49 3/	--	--
National Loan	$136	$2.65	$132	$2.55	$132	$2.55
Loan (Reserve)	$136	$2.65	$132	$2.55	--	--
Paid Diversion	$91	$1.50	--	--	--	--

1/ Estimated equivalent, adjusted from $/bushel at the farm level by including transportation and handling allowances of $.80/bushel.
2/ Not yet announced.
3/ ASCS 5-day moving average as of December 27, 1984.

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